Threat to life of Nihal Sri Ameresekere in the background of several attempts to cover-up the Hilton Hotel Fraud,
with irrefutable evidence of criminality, un-refuted by the Japanese Architects !

'*Extracts*' from Criminality Exposed but Perversely Covered-up

After the above Order delivered on 27th May 1992 by the Supreme Court of Sri Lanka *debarring* K.N. Choksy P.C., M.P., and Hon. Attorney General from being heard in the Supreme Court at the Hearing into the Appeal, and prior to such Appeal Hearing on 18th and 19th November 1992, a person quite well known to me, Milinda Caldera, invited me for a drink at the then Taj Samudra Hotel in the City of Colombo. He intimated to me that a person known to him had desired to meet me. Accepting such invitation of Milinda Caldera, I went one evening to the then Taj Samudra Hotel.

Milinda Caldera had come along with a person, who was introduced to me, as Ronnie Goonesinghe, a Senior Superintendent of Police. He was clad in civilian clothes, and not in *official uniform*. Though I did not personally know Ronnie Goonesinghe, I had read and heard of him, as one of those Senior Police Officers, who was closely attached to and in the *inner circle* of President R. Premadasa. It had been reported in the *media* that it was Senior Superintendent of Police, Ronnie Goonesinghe, who was *speculated* as one of the persons, who had taken into custody the talented Journalist and Dramatist, Richard de Zoysa, *whose body was later found dumped on the beach* in the Southern suburbs of the City of Colombo.

All three of us, Milinda Caldera, Ronnie Goonesinghe and I had consumed a couple of beers and had been engaged in discussions on various topics of general interest. In a complete diversion from the topics of our discussions, **Ronnie Goonesinghe inquired from me, as to how my Hilton Hotel Case was progressing. I intimated that the Case was progressing very well. Thereupon, Ronnie Goonesinghe *queerly* queried – *"Are you not taking a risk with your life in proceeding with this Case ? Should you not consider withdrawing this Case, because it is causing embarrassment to the Government" ?***

The *demeanor* and manner of his such diversion and query, took me by surprise. I looked at him straight in the face, *with eye contact*, and very *sternly* retorted – "*Mr Ronnie Goonesinghe, I was born on one day, and I will die on another day. These two days in my life are fixed, with no options. I will tread my path until that day of death, regardless of whether, it has to be a death, as a result of a bullet from a gun of yours, or anyone else*".

Ronnie Goonesinghe got completely shattered by my spontaneous *'outburst'*. He never expected such *repartee* from me, and was thrown off balance with apparent discomfort. He responded thus – "*No, no, no, please don't misunderstand me. I never meant anything of that sort*".

Since he was thrown off balance, I responded in a jovial manner – "*Having heard of your reputation, I was led to believe that it was indeed a subtle threat*".

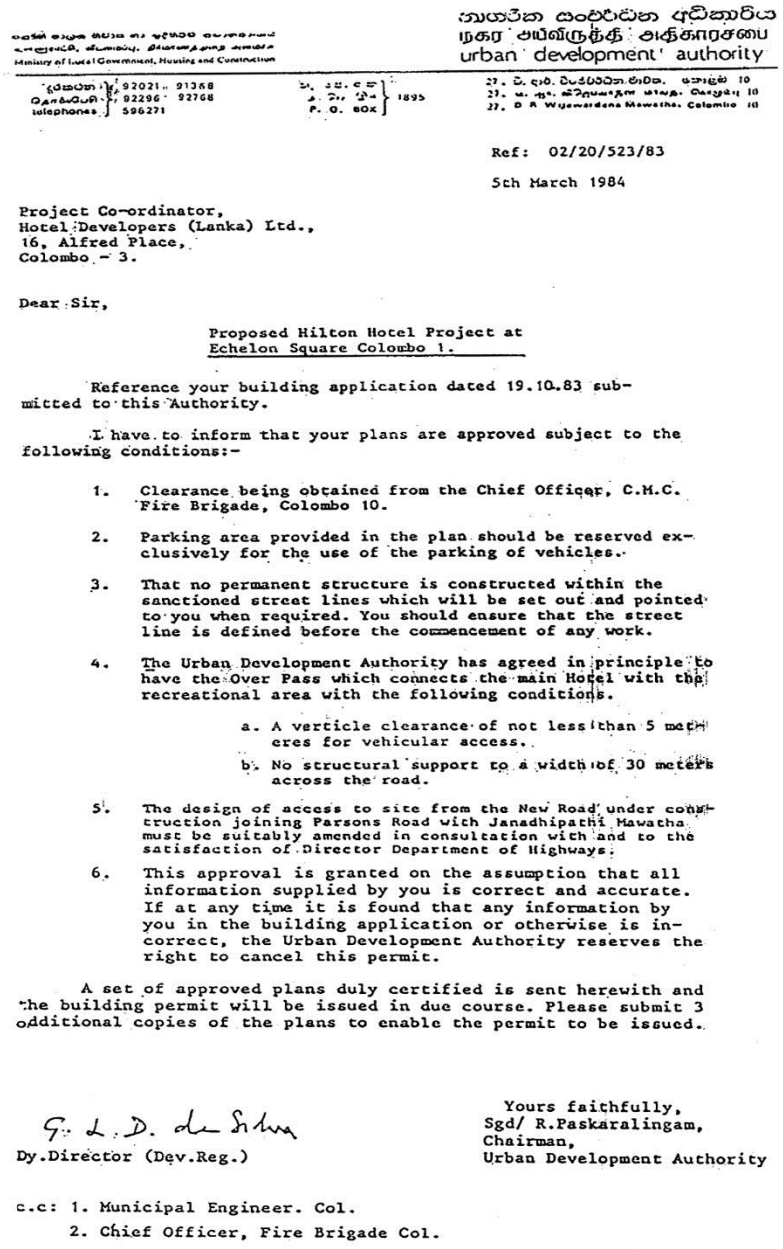
Thereafter, we had a few more drinks, and I apprised him of the facts of the Colombo Hilton Hotel Case. Given such facts, he was taken aback and conceded and acknowledged that I was right in what I was doing.

Later Ronnie Goonesinghe had intimated to Milinda Caldera that he admired my guts and that I am a person, who cannot be easily killed. I reminded Milinda Caldera of the age old saying that - ***'Cowards die many times before their natural death'*.**

By *divine destiny* or otherwise, a few months thereafter, on 1st May 1993 during the May Day procession, Ronnie Goonesinghe was blown to pieces in the heart of the City of Colombo, together with President R. Premadasa, by the explosion of a suicide bomber, named 'Babu', who had been a trusted *confidante* of President R. Premadasa, *evidently a successful plant of the LTTE*. I believe Ronnie Goonesinghe's body *was not even identifiable*.

ATTEMPTS TO *COVER-UP* FRAUD – *'EXTRACTS'* FROM CHAPTER III

Construction of the Colombo Hilton Hotel commenced on 12th March 1984, after approval as per Letter dated 5th March 1984 by the Urban Development Authority (UDA) of the Architectural Plans drawn by the Japanese Architects, Kanko Kikaku Sekkeisha Yozo Shibata & Associates, which original Architectural Plans of the Colombo Hilton Hotel had been submitted to the UDA on 19th October 1983.



நகர அபிவிருத்தி அதிகாரசபை
urban development authority

Ministry of Local Government, Housing and Construction

தொலைபேசி 92021, 91368
தொலைநகல் 92296, 92768
telephones 596271

P. O. BOX 1895

27, D. R. Wijewardena Mawatha, Colombo 10

Ref: 02/20/523/83

5th March 1984

Project Co-ordinator,
Hotel Developers (Lanka) Ltd.,
16, Alfred Place,
Colombo - 3.

Dear Sir,

Proposed Hilton Hotel Project at
Echelon Square Colombo 1.

Reference your building application dated 19.10.83 submitted to this Authority.

I have to inform that your plans are approved subject to the following conditions:-

1. Clearance being obtained from the Chief Officer, C.M.C. Fire Brigade, Colombo 10.
2. Parking area provided in the plan should be reserved exclusively for the use of the parking of vehicles.
3. That no permanent structure is constructed within the sanctioned street lines which will be set out and pointed to you when required. You should ensure that the street line is defined before the commencement of any work.
4. The Urban Development Authority has agreed in principle to have the Over Pass which connects the main Hotel with the recreational area with the following conditions.
   a. A verticle clearance of not less than 5 metheres for vehicular access.
   b. No structural support to a width of 30 meters across the road.
5. The design of access to site from the New Road under construction joining Parsons Road with Janadhipathi Mawatha must be suitably amended in consultation with and to the satisfaction of Director Department of Highways.
6. This approval is granted on the assumption that all information supplied by you is correct and accurate. If at any time it is found that any information by you in the building application or otherwise is incorrect, the Urban Development Authority reserves the right to cancel this permit.

A set of approved plans duly certified is sent herewith and the building permit will be issued in due course. Please submit 3 additional copies of the plans to enable the permit to be issued.

G. L. D. de Silva
Dy.Director (Dev.Reg.)

Yours faithfully,
Sgd/ R.Paskaralingam,
Chairman,
Urban Development Authority

c.c: 1. Municipal Engineer. Col.
2. Chief Officer, Fire Brigade Col.

Hotel Developers (Lanka) Ltd.'s (HDL) Executive Director, Akira Naka, a representative of Mitsui & Taisei Consortium was resident in Sri Lanka, in charge of the Office of HDL. He was directly liaising with Mitsui & Taisei Consortium and the Japanese Architects, Kanko Kikaku Sekkeisha Yozo Shibata & Associates, on the construction of the Colombo Hilton Hotel.

Site Meetings with Kanko Kikaku Sekkeisha Yozo Shibata & Associates and Mitsui & Taisei Consortium, on the progress of the construction of the Colombo Hilton Hotel had been chaired by HDL.'s Chairman & Managing Director, Cornel L. Perera, with the attendance of its Executive Director, Akira Naka, also a representative of Mitsui & Taisei Consortium.

Informations called for not provided

Brief Monthly Progress Reports signed by Mitsui & Taisei Consortium and Kanko Kikaku Sekkeisha Yozo Shibata & Associates on the construction of the Colombo Hilton Hotel were tabled at the Board Meetings of the Directors of HDL. Not being satisfied with the informations and disclosures contained in these Monthly Progress Reports, I made observations thereon at the Board Meeting of the Directors of HDL on 27th June 1985.

Since my observations had not been duly and properly recorded in the Board Minutes, I followed up with Letter dated 22nd July 1985 to the Company Secretary and the Board of Directors of HDL, which was tabled at the HDL Board Meeting on 25th July 1985. I listed out several items of informations and documentations, which ought to be made available regularly to the Board of Directors, for them to monitor and be conversant with the progress of the construction of the Colombo Hilton Hotel *viz*:

COMINDTAX MANAGEMENT SERVICES LTD
MANAGEMENT CONSULTANTS

167/2, Sri Vipulasena Mawatha,
Colombo 10, Sri Lanka. Telephone: 595814 597134
Cables : 'NIHALSRI' Telex : 21549 DESIGN CE

Nihal Sri Amerasekera

22nd July 1985.

Ceylon Secretarial Services Ltd
Don Carolis Building
64, Keyzer Street
Colombo 11.

Attention : Mr K Thiagarajah

Dear Sirs,

HOTEL DEVELOPERS (LANKA) LTD

In pursuance of the clarifications sought by you in regard to the observations made by me at the last Meeting of the Board of Directors of the above mentioned Company, I wish to afford you the relevant observations made by me.

" I suggest that the following documentations/informations be made available regularly to the Board of Directors to monitor and be conversant with the progress of the Project -

1. The progress of the construction monitored against the projected construction.
2. Reports from Architects/construction consortium that are relevant.
3. The actual cash flow monitored against the original projected cash flow separately into Yen and Rupee Cash Flows.
4. Operational expenses of H.D.L. office monitored against original Budget
5. Cumulative Revenue and Expenditure Account and Balance Sheet, with a Schedule of Capital Work in progress.
6. Progressive draw-down on the Loan in comparison with the Loan draw-down schedule attached to the Loan Agreement.
7. Progressive Payments to Construction Consortium in comparison with the payments schedule attached to the Construction Contract.
8. Progressive payment for F.F. & E in comparison with the payments schedule attached to the F.F. & E Agreement.
9. Progressive payments to Architects and other relevant payments.
10. Schedule of Imports made to the Construction Site since made in HDL name scheduled seperately -
    (i) Material for Hotel Construction
    (ii) Construction equipment to be re-exported.

    These would need to be accounted appropriately "

I trust that the above would afford you the requisite clarifications.

Thanking you,

Yours faithfully,

Nihal Sri Amerasekera.

c.c. - Board of Directors.

The payments to Mitsui & Taisei Consortium for the *'turnkey fixed price construction and delivery'* of the Colombo Hilton Hotel, and the payments to Mitsui & Co. Ltd., for the supplies of Furnishings, Fixtures and Equipment, were being made by HDL purely on the '*effluxion of time'*, as per the Schedules of such '*time based'* payments, attached to the Construction Agreement with Mitsui & Taisei Consortium, and the Supplies Contract with Mitsui & Co. Ltd.

Such '*time based'* interim payments were not made on the conventional basis of due certification by the Japanese Architects, Kanko Kikaku Sekkeisha Yozo Shibata & Associates of the completed work measured and/or quantified comparatively against Specified Bills of Quantities.

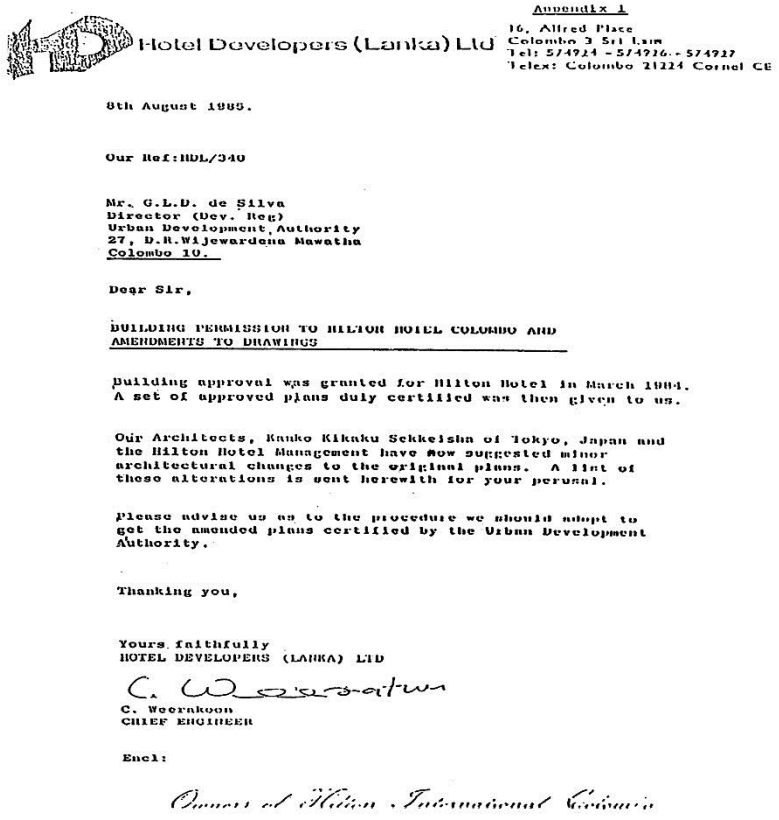
To make such payment on the '*effluxion of time'* based payments, Mitsui & Taisei Consortium made advances to HDL, as per the corresponding Schedule to the Loan Agreement between HDL and Mitsui & Taisei Consortium. These advances were deposited by Mitsui & Taisei Consortium to a Bank Account at Fuji Bank Tokyo, Japan, maintained in the name of HDL, with standing instructions given for prompt payments therefrom, to be made to Mitsui & Taisei Consortium and Kanko Kikaku Sekkeisha Yozo Shibata & Associates, as per the *'time based'* payment Schedules to the Construction Agreement, Supplies Contract and Design & Supervision Contract.

Therefore in effect, Mitsui & Taisei Consortium paid unto themselves, as per the Construction Agreement and Supplies Contract, through this '*mechanism'* of a Bank Account at Fuji Bank Tokyo, Japan, maintained in the name of HDL, to which they deposited monies, deemed as advances, as per the Loan Agreement they had with HDL. Mitsui & Taisei Consortium had been issued State Guarantees by the Government of Sri Lanka, guaranteeing the repayment of such advances made under the Loan Agreement with HDL. In actual effect, '*constructively'* this tantamounted to a 'Supplier's Credit' arrangement, against State Guarantees by the Government of Sri Lanka.

Hence, it is in the foregoing context, that I called for the informations and documentations to be tabled at the Meetings of the Board of Directors of HDL, including the progress of construction, monitored against planned construction, Reports from Architects and Contractors, actual cash-flow, showing the capital and revenue payments, and loan drawdowns; all this compared with what had been budgeted, and schedules of imports, etc. *These, however, did not forthcome though repeatedly requested*.

Surreptitious *substitution* with Amended Plans

Notwithstanding my foregoing Letter dated 22nd July 1985, tabled at the Meeting of the Board of Directors of HDL on 25th July 1985, I, subsequently shockingly discovered in March 1990, that in the very teeth of my foregoing Letter dated 22nd July 1985, and in *sheer disregard thereof* HDL's Chief Engineer, who was directly under the Executive Director of HDL, Akira Naka, also a representative of Mitsui & Taisei Consortium, by Letter dated 8th August 1985 had *surreptitiously* and *unilaterally* submitted to the UDA for approval, '*Amended*' Architectural Plans forwarded by Japanese Architects, Kanko Kikaku Sekkeisha Yozo Shibata & Associates.



Appendix 1

Hotel Developers (Lanka) Ltd

16, Alfred Place
Colombo 3 Sri Lanka
Tel: 574924 - 574926 - 574927
Telex: Colombo 21224 Cornel CE

8th August 1985.

Our Ref:HDL/340

Mr. G.L.D. de Silva
Director (Dev. Reg)
Urban Development Authority
27, D.R.Wijewardena Mawatha
Colombo 10.

Dear Sir,

BUILDING PERMISSION TO HILTON HOTEL COLOMBO AND AMENDMENTS TO DRAWINGS

Building approval was granted for Hilton Hotel in March 1984. A set of approved plans duly certified was then given to us.

Our Architects, Kanko Kikaku Sekkeisha of Tokyo, Japan and the Hilton Hotel Management have now suggested minor architectural changes to the original plans. A list of these alterations is sent herewith for your perusal.

Please advise us as to the procedure we should adopt to get the amended plans certified by the Urban Development Authority.

Thanking you,

Yours faithfully
HOTEL DEVELOPERS (LANKA) LTD

C. Weerakoon
CHIEF ENGINEER

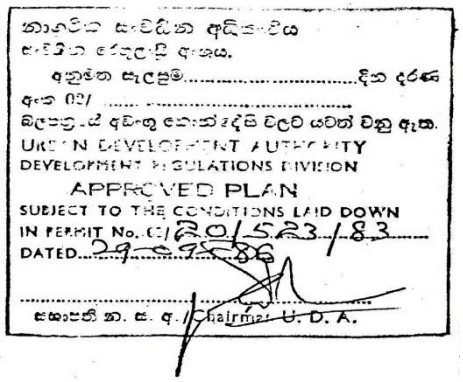
Encl:

Owners of Hilton International Colombo

Such *highhanded* surreptitious act, in gross violation of the Investment Agreement with the Government of Sri Lanka, had been *suppressed* from the Board of Directors of HDL, which therefore was not known to me at that point of time in August 1985.

No amendment to the original Architectural Plan could have been approved by the UDA, without the owner's signature thereon, which in this instance, was HDL, who had not signed such so-called *amended* Architectural Plan, nor had approved the same. Hence, *without the owner's signature thereon,* UDA could not have approved such Plan as Amended Plan.

The foregoing *highhanded* wrongful and unlawful act perpetrated in August 1985 was only discovered in March 1990, when *on lurking suspicions*, the Deputy Secretary to the Treasury, K. Shanmugalingam, then Government nominee Director on HDL, and I, called for the copy of approved Architectural Plans from the UDA to be brought to the Ministry of Finance & Planning. On an examination thereof, I *shockingly* discovered that what the Officer of the UDA had brought to the Ministry of Finance & Planning was a set of Architectural Plans of Kanko Kikaku Sekkeisha Yozo Shibata & Associates *stamped on 29th April 1986* by the UDA, as having been approved as *'Amended'* Architectural Plans, which had been submitted to the UDA by the Chief Engineer of HDL, as per the aforesaid Letter dated 8th August 1985.



The foregoing had been right in the midst of the construction of the Colombo Hilton Hotel having been well underway, with construction having commenced on 12th March 1984, based on the original Architectural Plans for the Colombo Hilton Hotel prepared by Kanko Kikaku Sekkeisha Yozo Shibata & Associates submitted to the UDA on 19th October 1983, and approved by the UDA on 5th March 1984.

I informed the Officer of the UDA that the original Architectural Plans had been approved by the UDA on 5th March 1984. I requested him to come back to the Ministry of Finance & Planning in 3 days, with the copy of the original Architectural Plans of Kanko Kikaku Sekkeisha Yozo Shibata & Associates, which had been approved by the UDA on 5th March 1984.

Original Architectural Plans missing

Consequently, the Officer of the UDA at the following meeting, confirmed that what was available at the UDA was only the copy of the amended Architectural Plans, which had been approved by the UDA on 29th April 1986, and that the copy of the original Architectural Plans approved on 5th March 1984 were not available with the UDA.

Subsequent searches revealed that the copies of the original Architectural Plans approved by the UDA on 5th March 1984, were also not available with the Colombo Municipal Council or the Fire Brigade or with the Office of HDL, who had received copies thereof.

Upon inquiry by the Ministry of Finance, the Fire Service Department by Letter dated 4th May 1990 had informed the Secretary, Ministry of Finance that the set of original Architectural Plans of the Colombo Hilton Hotel, which had been sent to the Fire Service Department had been returned to the UDA in 1984, indicating the fire requirements.

COLOMBO MUNICIPAL COUNCIL

FIRE SERVICE DEPARTMENT

Tel. Nos.
422222, 422223, 686087

My No:
Your No: EA 05/26

FIRE BRIGADE HEAD QUARTERS.
T. B. JAYAH MAWATHA,
COLOMBO 10.

DATE 4th May, 1990

Secretary,
Ministry of Finance,
The Secretariat,
Colombo 01.

EA
1990-5-4
4.10 P.M.

Dear Sir,

Hilton Hotel Project at Echelon Square,Col. 1.

Reference your letter dated 30.04.90 regarding above.

I have to inform you that the set of plans which was submitted for fire safety requirement in 1984 has been returned to the Urban Development Authority alone with the fire requirements in the year 1984.

I shall be much obliged if you could please request the Director (Planing) of the Urban Development Authority to release the copy of the orginal plan of the Hilton Hotel project for the purpose.

Thanking you.

Yours faithfully,

Chief Officer
FIRE SERVICE DEPARTMENT

Quite amazingly UDA by its Letter issued in June 1990 addressed to HDL confirmed that it did not have a copy of the original Architectural Plans of Colombo Hilton Hotel approved in March 1984.

Furthermore, whilst copies of the Architectural Plans submitted to the UDA on 19th October 1983 were pending approval, another copy of these original Architectural Plans of Kanko Kikaku Sekkeisha Yozo Shibata & Associates was tabled at the Meeting of the Board of Directors of HDL on 7th January 1984, which copy too was reported missing by the General Manager, HDL.

Certifications as per unauthorized *surreptitiously* substituted Amended Plans

Later it was also discovered that the Completion Certificate dated 30th April 1987 and Final Certificate dated 25th August 1988 issued by Kanko Kikaku Sekkeisha Yozo Shibata & Associates were mere '*Medical certificate'* type Letters, without any Specified Bills of Quantities and Final Measurements in support thereof, and that the Certificate of Conformity dated 27th April 1987 had been issued by the UDA based upon such surreptitiously substituted *amended* Architectural Plans approved by the UDA on 29th April 1986.

Pointedly, these Certificates had no reference, whatsoever, and did not relate to the original Architectural Plans approved by the UDA on 5th March 1984, on which basis the Colombo Hilton Hotel construction by Mitsui & Taisei Consortium had commenced on 12th March 1984.

KANKO KIKAKU SEKKEISHA
Y.SHIBATA & ASSOCIATES ARCHITECTS & DESIGNERS

30th April 1987

Mitsui Taisei Consortium,
Hilton International Colombo Project,
Lotus Road,
Colombo 1,
Sri Lanka.

Dear Sirs,

COMPLETION CERTIFICATE
HILTON INTERNATIONAL COLOMBO

This is to certify that the work stipulated in the Agreement for construction of Hilton International Colombo, by and between Hotel Developers (Lanka) Limited, Colombo, Sri Lanka; and The Consortium comprised of Mitsui & Co. Limited, Tokyo, Japan and Taisei Corporation, Tokyo, Japan; dated 31st January 1984, has been practically completed on 30th April 1987.

The Defects Liability Period shall be one year from the above practical completion date and shall be applicable to all work executed under the contract.

Yours faithfully,

KANKO KIKAKU SEKKEISHA
Y. SHIBATA & ASSOCIATES
ARCHITECTS & DESIGNERS

Yozo Shibata
ARCHITECT

RECEIVED
30 APR 1987
(3)

cc: Hotel Developers (Lanka) Limited,
16, Alfred Place,
Colombo 3,
Sri Lanka.

KANKO KIKAKU SEKKEISHA
Y.SHIBATA & ASSOCIATES ARCHITECTS & DESIGNERS

August 25, 1988

MITSUI TAISEI CONSORTIUM
Hilton International Colombo Project
Lotus Road
Colombo 1
SRI LANKA

Dear Sirs:

FINAL CERTIFICATE (Called for in paragraph (3), clause 16 of General Condition of Contract for Construction of Hilton International Colombo.)

HILTON INTERNATIONAL COLOMBO

This is to certify that all necessary *defect works has been executed during the liability period (One year from the practically completed on April 30, 1987), according to the agreement for construction of Hilton International, Colombo, by and between Hotel Developers (Lanka) Limited, Colombo, Sri Lanka; and the consortium comprised of Mitsui & Co. Limited, Tokyo, Japan and Taisei Corporation, Tokyo, Japan.

((3) Final Certificate of Clause 16 - Completion Certificate)

Yours faithfully,

KANKO KIKAKU SEKKEISHA
Y. SHIBATA & ASSOCIATES
ARCHITECTS & DESIGNERS

Yozo Shibata
ARCHITECT

Note: *defect works has been executed except the resurface of tennis court which is scheduled as the attached letter dated Autust 20, 1988 by Mitsui Taisei Consortium.

cc: Hotel Developers (Lanka) Limited
16 Alfred Place
Colombo 3
Sri Lanka

NO.9 MORI-BLDG., 2-2 ATAGO, 1-CHOME, MINATO-KU, TOKYO, 105 JAPAN TELEPHONE:434-4671 CABLE ADDRESS:KANKOSEKKEI TOKYO TELEX:J27434

ඉඩම් හා පලාත් පාලන හා ඉදිකිරීම් අමාත්‍යාංශය
உள்ளூராட்சி, வீடமைப்பு, நிர்மாணத்துறை அமைச்சு
Ministry of Local Government, Housing and Construction

නාගරික සංවර්ධන අධිකාරිය
நகர அபிவிருத்தி அதிகாரசபை
urban development authority

දුරකථන 92021 91308
தொலைபேசி 92296 92768
telephone 680271

කැ. ලි. අ. පෙ.
த. பெ. இ.
P. O. BOX 1895

27, ඩී. ආර්. විජේවර්ධන මාවත, කොළඹ 10
27, டி. ஆர். விஜேவர்தன மாவத்த, கொழும்பு 10
27, D. R. Wijewardene Mawatha, Colombo 10

ජාත්‍යන්තර නිවාස වර්ෂය 1987
சர்வதேச வீடமைப்பு ஆண்டு
INTERNATIONAL YEAR OF HOUSING

My No.: 02/20/523/83
27. April, 1987.

From : Director (Development Regulations) U.D.A.

To : M/s, Hotel Developers' (Lanka) Ltd.,
16, Alfred Place,
Colombo 03.

C E R T I F I C A T E O F C O N F O R M I T Y.

I hereby certify that the Hotel Building for "Hilton International" Colombo, consisting of Mezzanine Floor, Lobby Floor, 19 Floors and 1st and 2nd Pent House Machine Rooms at Echelon Square, Colombo 01 and the Recreational Area for "Hilton International" Colombo at the opposite side of Lotus Road, Colombo 01, have been constructed as per the Approved Plan No... 02/20/523/83 dated 29th April 1986, and 18th November 1986, respectively.

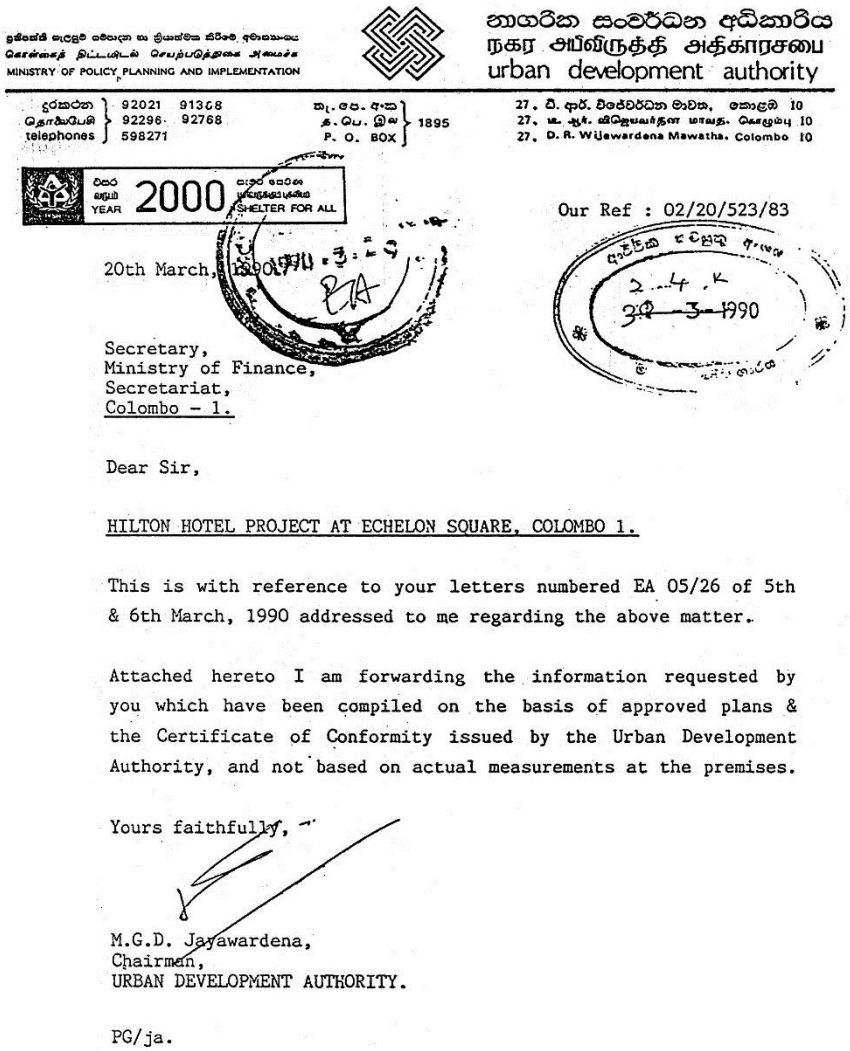
ඩී. ඒ. ඩී. ද සිල්වා.
DIRECTOR,
DEVELOPMENT REGULATIONS DIVISION,
URBAN DEVELOPMENT AUTHORITY.

C.C.: 1. Municipal Engineer, C.M.C.
2. Municipal Assessor, C.M.C.

RECD
29 APR 1987
(6)

There was no mention, whatsoever, in any of these Certificates that original Architectural Plans had been *substituted* with Amended Plans, to which all these 3 Certificates had referred.

Furthermore, quite shockingly, M.G.D. Jayawardena, Chairman, UDA by Letter dated 20th March 1990 addressed to the Secretary, Ministry of Finance had *shamelessly* confirmed that the Certificate of Conformity *had not been based on actual measurements !*



MINISTRY OF POLICY PLANNING AND IMPLEMENTATION

නාගරික සංවර්ධන අධිකාරිය
நகர அபிவிருத்தி அதிகாரசபை
urban development authority

දුරකථන / தொலைபேசி / telephones 92021 91368 92296 92768 598271

තැ.පෙ.අංක / த.பெ.இல / P. O. BOX 1895

27, ඩී. ආර්. විජේවර්ධන මාවත, කොළඹ 10
27, டீ. ஆர். விஜெயவர்தன மாவத, கொழும்பு 10
27, D. R. Wijewardena Mawatha, Colombo 10

වසර / வருடம் / YEAR 2000 සැමට පෙරණ / பாதுகாப்புக்கிடம் / SHELTER FOR ALL

Our Ref : 02/20/523/83

20th March, 1990

Secretary,
Ministry of Finance,
Secretariat,
Colombo - 1.

Dear Sir,

HILTON HOTEL PROJECT AT ECHELON SQUARE, COLOMBO 1.

This is with reference to your letters numbered EA 05/26 of 5th & 6th March, 1990 addressed to me regarding the above matter.

Attached hereto I am forwarding the information requested by you which have been compiled on the basis of approved plans & the Certificate of Conformity issued by the Urban Development Authority, and not based on actual measurements at the premises.

Yours faithfully,

M.G.D. Jayawardena,
Chairman,
URBAN DEVELOPMENT AUTHORITY.

PG/ja.

Fire at Hilton Hotel Construction Site Office and Report thereon by Mitsui & Taisei Consortium

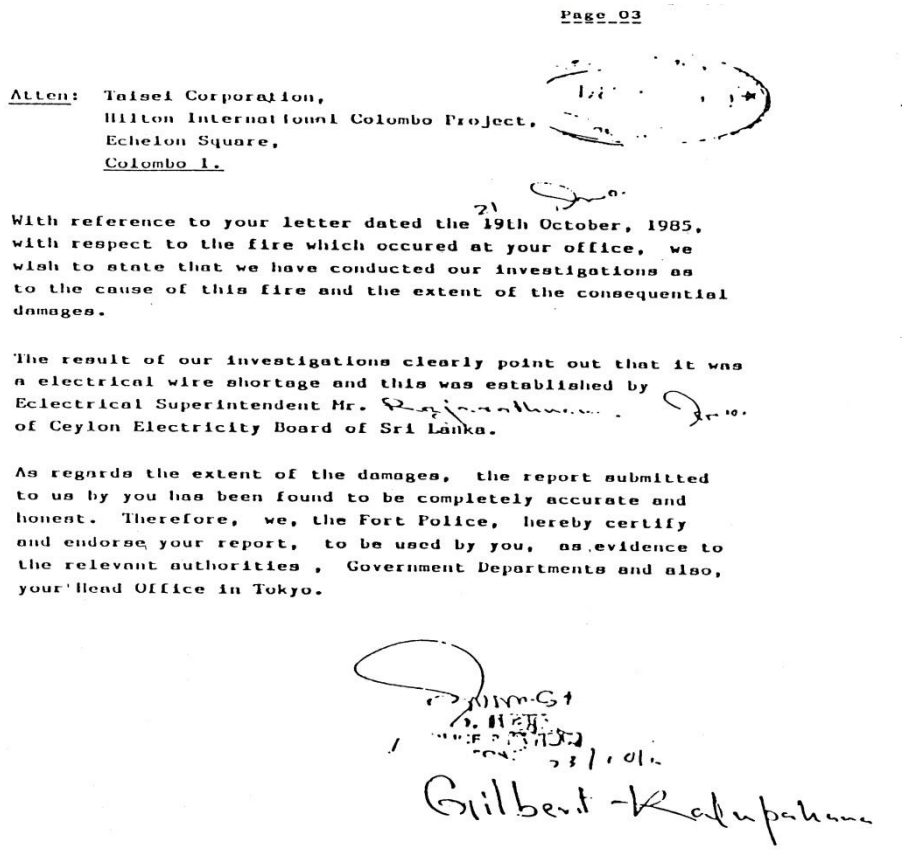
Even more *intriguingly*, after the original Architectural Plans had been substituted on 8th August 1985 with Amended Architectural Plans, during the night of 18th October 1985, shortly after midnight, a major fire had occurred at the Colombo Hilton Hotel Construction Site Office. This was widely reported in the *media*, with the Fire Brigade having been summoned to deal with such fire.

As per the consequent brief Report forwarded on 30th October 1985 to the Board of Directors of HDL by Executive Director Akira Naka, also a representative of Mitsui & Taisei Consortium, it was very significantly reported that – '*All drawings and documents got burnt. Our principals in Tokyo dispatched all drawings, documents, etc., they possessed, which arrived in Colombo on 26.10.1985 to replace the ones that got burnt'*.

Police Report on the Fire

To the above Report dated 30th October 1985 from Mitsui & Taisei Consortium to the Board of Directors of HDL, was attached a Report dated 3rd October 1985 on *un-authoritative* 'blank paper', said to be from the Colombo Fort Police, certifying that as a result of their investigations, and as established by an Electrical Superintendent of the Ceylon Electricity Board, that it clearly pointed out, that it was an electrical wire shortage, that caused the fire.

Furthermore, the Colombo Fort Police Report confirmed that the *Report submitted to the Colombo Fort Police by Taisei Corporation on the fire was found by them to be completely accurate and honest*, and that therefore the Fort Police certifies and endorses such Report, *to be used as evidence to the relevant authorities, including the Government of Sri Lanka.*



Page 03

Attn: Taisei Corporation,
Hilton International Colombo Project,
Echelon Square,
Colombo 1.

With reference to your letter dated the 19th October, 1985, with respect to the fire which occured at your office, we wish to state that we have conducted our investigations as to the cause of this fire and the extent of the consequential damages.

The result of our investigations clearly point out that it was a electrical wire shortage and this was established by Eclectrical Superintendent Mr. [illegible] of Ceylon Electricity Board of Sri Lanka.

As regards the extent of the damages, the report submitted to us by you has been found to be completely accurate and honest. Therefore, we, the Fort Police, hereby certify and endorse your report, to be used by you, as evidence to the relevant authorities, Government Departments and also, your Head Office in Tokyo.

Gilbert Kadupahana

Induction of K.N. Choksy, President's Counsel

M. Radhakrishnan, Attorney-at-Law, Director of HDL, *not having been satisfied with and perturbed over the status of affairs*, endeavoured in 1986 to raise questions privately, with certain other Directors of HDL, about his concerns, which he later confided in me, once the foregoing matters got exposed in March 1990, intimating that he had come to know from a third party, that the original Architectural Plans of the Colombo Hilton Hotel had been *surreptitiously* substituted at the UDA.

Such private agitations by M. Radhakrishnan, Attorney-at-Law, most *intriguingly* resulted in him being manipulatively ousted at the Annual General Meeting of HDL, in December 1986, on a contest, with K.N. Choksy, President's Counsel, who had been *maneuveringly* proposed to be elected, with Mitsui & Taisei Consortium voting for K.N. Choksy, President's Counsel, whilst I and the *proxy* holder of the Shares of the Government of Sri Lanka, Director Economic Affairs, Ministry of Finance, A.C. Randeni, *abstained from voting.*

In effect, K.N. Choksy, President's Counsel got elected purely on the voting majority exercised by Mitsui & Taisei Consortium, which held 30.2% Shareholding at that time in December 1986, and the Government of Sri Lanka with a 61.5% Shareholding in HDL having *abstained* from voting.

Subsequent conduct and actions reveal, even to the uninitiated, as to how and why K.N. Choksy, President's Counsel was brought in, as a Director of HDL, *ousting* M. Radhakrishnan, Attorney-at-Law, *who had been one of the original Promoters, Subscribers and Directors of HDL*, and had been intimately involved in the Colombo Hilton Hotel Project.

Identical Number of Guest Rooms confirmed after opening of Hotel

The Colombo Hilton Hotel, after having had a '*topping-up ceremony'* to mark the final concreting of the Roof, and a private ceremony to *'hand over keys'* to HDL, by Mitsui & Taisei Consortium, at which only the Chairman & Managing Director, Cornel L. Perera and then Executive Director, H. Ogami of HDL, a representative of Mitsui & Taisei Consortium, and successor to Akira Naka, had been present, opened for 'soft operations' in July 1987.

On 26th June 1987, just prior to the 'soft opening' in July 1987 of the Colombo Hilton Hotel, Mitsui & Co. Ltd., forwarded revised Cash Flow Projections, computing the 10-Year Forecast of Income and Expenses based on 452 Guest Rooms, consistent with the previous 10-Year Forecast of Income and Expenses forwarded by them in March 1983 and December 1983, prior to the commencement of the construction of the Colombo Hilton Hotel in March 1984, which had been in conformity with the 10-Year Forecast of Income and Expenses formulated by Hilton International previously.

The only revisions were the reductions in the Room Occupancy Levels and the Average Room Rates to be in conformity with the market conditions which prevailed at that time in 1987.

Extracts from Mitsui & Co. Ltd.'s Profitability Forecast & Cash Flow Projections dated 26.06.1987 for **452 Guests Rooms** given just before the Colombo Hilton Hotel opened for 'soft operations' in July 1987

Year		1st	2nd	3rd
No. of Rooms (Room Days) Available (for year) **452 Rooms** x 365 Days	(A)	164980	164980	164980
Room Occupancy - %	(B)	50%	55%	65%
Average Room Rate – US $	(C)	50.00	54.00	73.65
Room Revenue – US$ ' 000 (A) x (B) x (C)		4125	4900	7898

Hilton International discloses a reduced number of Guest Rooms

After the 'soft operations' commenced in July 1987, Hilton International forwarded its Monthly Reports on the initial operations of the Colombo Hilton Hotel for the Months of July, August and September 1987.

From these Hilton Monthly Reports made available in October 1987, I noticed that Hilton International had accounted for only 387 Guest Rooms, and not for 452 Guest Rooms, which originally was to be 456 Guest Rooms, after which, revenue in respect of 4 Guests Rooms was not taken into reckoning, since 4 Guests Rooms were considered to be utilized, as the Hilton Resident Manager's Apartment.

I promptly raised this highly questionable matter at the Board of Directors of HDL in November 1987, and submitted a Board Paper highlighting this material discrepancy, computing and demonstrating that even at 100% occupancy and at an average Room Rate of US $ 100/-, it was not possible to service and re-pay the Loan of Jap.Yen 12,300 Mn., advanced by Mitsui & Taisei Consortium, and which Loan had been secured by State Guarantees issued to Mitsui & Taisei Consortium by the Government of Sri Lanka.

Mitsui & Co. Ltd., confirms reduced number of Guest Rooms

Upon my raising, the foregoing *material discrepancy* in the number of revenue earning 452 Guest Rooms as per the original 10-Year Forecast of Income and Expenses, and 387 Guest Rooms accounted for by Hilton International in its Monthly Reports, on 21st December 1987 Mitsui & Co. Ltd., forwarded a further revised Cash-Flow Projection, based on the Forecast of Income and Expenses, *computing for the very first time* Room Revenue only on **387 Rooms** *viz*:

Extracts from Mitsui & Co. Ltd.'s Revised Profitability Forecast & Cash Flow Projections of 21.12.1987 **– 387 Guest Rooms** (*After queries were raised by me, in comparison with Hilton International's Monthly Reports on Colombo Hilton Hotel actual operations*)

Year		1 st	2 nd	3 rd
No. of Rooms (Room Days) Available (for year) **387 Rooms** x 365 Days	(A)	141255	141255	141255
Room Occupancy - %	(B)	20%	30%	65%
Average Room Rate – US $	(C)	40.00	45.00	73.65
Room Revenue – US$ ' 000 (A) x (B) x (C)		1130	1907	6762

Though on my insistence, a Letter was forwarded in January 1988 by HDL, to Mitsui & Taisei Consortium on this *material discrepancy* in the number of Guest Rooms, the response thereto from Mitsui & Taisei Consortium was *vague and evasive*.

There was a *futile* attempt on their part to create *confusion* on the interpretation of 'Room Modules' / 'Room Bays' with 'Room Keys', whereas the original Architectural Plans based on the Project Plans had clearly depicted standard Guest 'Room Modules', which Guest 'Room Modules' could be joined together to be sold as 2 to 4 Guest Room Suites.

However, the Profitability Forecast had consistently been computed on the basis of the number of standard Guest 'Room Modules' at an Average Guest Room Rate.

Evading and ignoring the foregoing, as though it was a *triviality*, Mitsui & Co. Ltd., again on 1st February 1988 re-forwarded the same revised Cash-Flow Projection based on, the Forecast of Income and Expenses, *computing Room Revenue only on* **387 Guest Rooms** *viz*

Extracts from Mitsui & Co. Ltd.'s Profitability Forecast & Cash Flow Projection of 1.2. 1988 **– 387 Guests Rooms**

Year		1 st	2 nd	3 rd
No. of Rooms (Room Days) Available (for year) **387 Rooms** x 365 Days	(A)	141255	141255	141255
Room Occupancy - %	(B)	20%	30%	40%
Average Room Rate – US $	(C)	40.00	50.00	60.00
Room Revenue – US$ ' 000 (A) x (B) x (C)		1130	2119	3390

Independent Engineering Examination questionably thwarted

Notwithstanding, *evading* and *shunning* such material discrepancy in the number of Guests Rooms, which warranted investigation thereinto, the Final Inspection of the constructed Colombo Hilton Hotel had been carried out on 24th and 25th March 1988 by Kanko Kikaku Sekkeisha Yozo Shibata & Associates, together with Mitsui & Taisei Consortium, and with a Site Meeting chaired by Chairman & Managing Director, HDL, Cornel L. Perera, with the attendance of its Executive Director, H. Ogami, also a representative of Mitsui & Taisei Consortium.

Significantly, I discovered later, that *curiously* there had been no mention, whatsoever, of the foregoing questionable material discrepancy in the number of Guests Rooms recorded in the Minutes of the aforesaid Site Meeting on the Final Inspection.

Though the Final Inspection had been carried out on 24th and 25th March 1988, Kanko Kikaku Sekkeisha Yozo Shibata & Associates had *intriguingly* issued the Final Certificate very much later on 25th August 1988, after the Board of Directors of HDL had been *precluded* by K.N. Choksy, President's Counsel, from carrying out an independent engineering examination of the Colombo Hilton Hotel construction, as morefully set out below.

Being perturbed about such *material discrepancy in the number of Guest Rooms*, I confided my such concerns with the two nominee Directors of the Government of Sri Lanka on the Board of Directors of HDL, namely A.C. Randeni, Director Economic Affairs, Ministry of Finance, and M.T.L. Fernando, Precedent Partner, Ernst & Young, Chartered Accountants. I urged that an independent engineering examination and verification be carried out of the constructed Colombo Hilton Hotel.

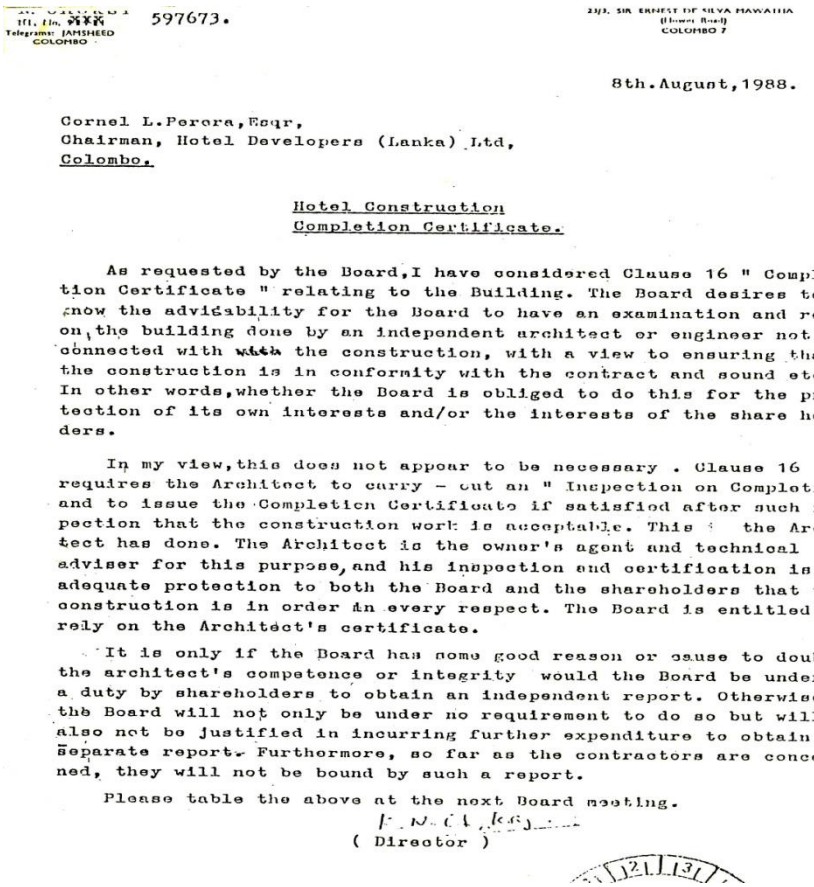
Consequently, M.T.L. Fernando at the Board Meeting of HDL on 25th May 1988, as recorded in the Board Minutes, suggested that it would be prudent for HDL, to retain the services of an independent engineer to carry out an independent examination of the Colombo Hilton Hotel construction, since the Architects, Kanko Kikaku Sekkeisha, Yozo Shibata & Associates *were more or less connected with the Contractors*, Mitsui & Taisei Consortium; and that *there may be queries raised by the major Shareholder*, the Government of Sri Lanka, *for which ultimate responsibility would lie on the Board of Directors of HDL - viz*: HDL Board Minutes of 25th May 1988

> Mr. M. T. L. Fernando suggested that it would be prudent to retain by the Company the services of an independent Engineer for this purpose.
>
> In response to the above suggestion the Executive Director clarified to the Meeting that in terms of the Agreement for Construction, this inspection has to be carried out by the Architects, and that Messrs. Kanko Kikaku Sekkeisha Yoza Shibata & Associates have already been retained by the Company for this inspection.
>
> Mr. M. T. L. Fernando further commented that as these Architects are more or less connected with the Contractors, there may be queries to this effect raised by the major Shareholder, viz. the Ministry of Finance & Planning, and other shareholders, for which the ultimate responsibility would lie on the Board of Directors.

The foregoing urging by HDL Director M.T.L. Fernando, Precedent Partner, Ernst & Young was notwithstanding H. Ogami, Executive Director of HDL, a representative of Mitsui & Taisei Consortium having stated that HDL had already retained Japanese Architects, Kanko Kikaku Sekkeisha Yozo Shibata & Associates for such purpose.

Significantly, such vital suggestion by the Government nominee Director, M.T.L. Fernando, who was also the Precedent Partner, Ernst & Young, was referred by the Board of Directors of HDL to then Director of HDL, K.N. Choksy, President's Counsel, who after a lapse of over two months, on 8th August 1988, intriguingly gave a statement discouraging such independent engineering examination called for by M.T.L. Fernando, a Senior Chartered Accountant, specifically in the background of the foregoing *material discrepancy* in the number of Guest Rooms.

K.N. Choksy, President's Counsel *inter-alia*, stated that HDL would not be justified in incurring further expenditure to obtain a separate report, and that the Contractors i.e Mitsui & Taisei Consortium would not be bound by such report, whereas an independent engineering examination would have revealed the truth, putting in issue the claims for payment made by Mitsui & Taisei Consortium



597673.

Telegrams: JAMSHEED COLOMBO

23/3, SIR ERNEST DE SILVA MAWATHA (Flower Road) COLOMBO 7

8th.August,1988.

Cornel L.Perera,Esqr,
Chairman, Hotel Developers (Lanka) Ltd,
Colombo.

Hotel Construction
Completion Certificate.

As requested by the Board,I have considered Clause 16 " Completion Certificate " relating to the Building. The Board desires to know the advisability for the Board to have an examination and report on the building done by an independent architect or engineer not connected with the construction, with a view to ensuring that the construction is in conformity with the contract and sound etc: In other words,whether the Board is obliged to do this for the protection of its own interests and/or the interests of the share holders.

In my view,this does not appear to be necessary . Clause 16 requires the Architect to carry - out an " Inspection on Completion" and to issue the Completion Certificate if satisfied after such inspection that the construction work is acceptable. This the Architect has done. The Architect is the owner's agent and technical adviser for this purpose, and his inspection and certification is an adequate protection to both the Board and the shareholders that the construction is in order in every respect. The Board is entitled to rely on the Architect's certificate.

It is only if the Board has some good reason or cause to doubt the architect's competence or integrity would the Board be under a duty by shareholders to obtain an independent report. Otherwise, the Board will not only be under no requirement to do so but will also not be justified in incurring further expenditure to obtain a separate report. Furthermore, so far as the contractors are concerned, they will not be bound by such a report.

Please table the above at the next Board meeting.

(Director)

Chairman & Managing Director, Cornel L. Perera tabled Director K.N. Choksy, President's Counsel's Letter dated 8th August 1988 at the Meeting of the Directors of the HDL on 12th August 1988, and *thanked* K.N. Choksy, President's Counsel for the *clear manner in which he had dealt with this question.*

Accordingly, no independent engineer was appointed to carry out such examination, as was essentially required and warranted – *viz* HDL Board Minutes of 12th August 1988.

The Chairman tabled a note from Mr. K.N. Choksy P.C., dated 8th August 1988 on the question of retaining an Independent Engineer in addition to K.K.S. The Chairman thanked Mr. Choksy for the clear manner in which he has dealt with this question. The Board decided not to retain any Independent Engineer for this purpose.

However, subsequent discoveries in no uncertain terms proved that it was indeed well and truly fully justified and warranted for HDL to have carried out such independent engineering examination, in its own interest and that of its Shareholders, including the Government of Sri Lanka, who had issued State Guarantees to Mitsui & Taisei Consortium.

Pointedly the Japanese Architects Kanko Kikaku Sekkeisha Yozo Shibata & Associates, who had carried out the Final Inspection on 24th and 25th May 1988, issued their Final Certificate only on 25th August 1988, after the above decision by the Board of Directors of HDL on 12th August 1988, *not to appoint an independent engineer for an examination of the Hilton Hotel constructed* !

Due to the intervening Presidential and General Elections in Sri Lanka, no meaningful progress was made in regard to the foregoing.

No specified Bills of Quantities & Final Measurements

My subsequent inquiries revealed that the Japanese Architects, Kanko Kikaku Sekkeisha Yozo Shibata & Associates had issued their Completion and Final Certificates, respectively dated 30th April 1987 and 25th August 1988, without any Specified Bills of Quantities and Final Measurements in support thereof, whilst payments had been made to Mitsui & Taisei Consortium for the '*turnkey fixed price construction and delivery*' of the Colombo Hilton Hotel, *without the conventional interim architectural certifications* by Kanko Kikaku Sekkeisha Yozo Shibata & Associates, as per verified Specified Bills of Quantities and Measurements in support thereof.

In such circumstances, I tabled Memorandum dated 13th December 1989 at the Meeting of the Board of Directors of HDL, pointedly stressing such material fact on the *non-availability* of Specified Bills of Quantities and Final Measurements, and the *serious discrepancies* disclosed, referring also to the previous requirement by another Senior Chartered Accountant, M.T.L. Fernando for an independent engineering examination of the Colombo Hilton Hotel constructed.

I stated that without a comprehensively documented Specified Bills of Quantities and Final Measurements, I cannot agree to make any payments, whatsoever, to Mitsui & Taisei Consortium.

COMINDTAX MANAGEMENT SERVICE LTD.
BUSINESS & MANAGEMENT CONSULTANTS.

167/4 SRI VIPULASENA MAWATHA, COLOMBO 10. SRI LANKA.

P.O.BOX 1796 CABLES: 'NIHALSRI' FAX: 697154 TELEPHONE: 686564, 696814. TELEX: 22489 SHALAK CE 21549 DESIGN CE

MEMORANDUM TO THE BOARD

Board Meeting - 13.12.89

Board of Directors,
Hotel Developers (Lanka) Ltd.

I write in reference to the Completion Certificate dated 30th April '87 (Copy Attached) issued by KANKO KIKAKU SEKKEISHA YOZO SHIBATA & ASSOCIATES the Architects engaged by Hotel Developers (Lanka) Ltd. for the Colombo Hilton Hotel Project, copy of which Completion Certificate, was received by me as per from the H.D.L. Office Letter dated 29th November '89, in response to my Letter dated 27th November '89. I also attach a copy of the Final Certificate dated 25th August '88.

I give below a copy of the relevant extracts from the Construction Agreement between Hotel Developers (Lanka) Ltd. and the Mitsui/Taisei Consortium.

Quote :

WITNESSETH:

WHEREAS, the Employer is desirous of constructing a first class international hotel of 22 stories containing 452 bays with construction area of 39,042.3 sq. meters in Colombo, Sri Lanka, which is more fully described in the Drawings and the Technical Specifications attached hereto, and

WHEREAS, the Employer has issued a letter of award to the Consortium for the construction of the Project defined in Clause 1 hereof on 30th March, 1983, and "

COMINDTAX MANAGEMENT SERVICE LTD.

From the attached copy of the Completion Certificate I am unable to satisfy myself whether the Hotel construction is in conformity with the stipulations I have cited above, particularly in relation to the numbers/quantities specified therein. Normally one would have expected a comprehensively documented Completion Certificate with all final quantities and measurements in accordance with conventional practice.

I wish to have satisfactory clarifications and confirmation in this regard from the Architects. Until as such time I receive such satisfactory clarifications and confirmation in categorical terms, I regret I cannot agree to make any payment to the Construction Consortium on account of any balance Construction Dues and/or Retention. In this context I would also like to draw the attention of the Board to relevant Board Minutes i.e. 9/88, 11/88, 12/88 and 13/88 and the Letter dated 8th August '88 from Mr. K.N.Choksy, and particularly to the suggestion and comments made at the Board Meeting on 25.5.88 by Mr. M.T.L.Fernando a Government Nominee Director on the Board at that time.

Quote :

"Mr. M. T. L. Fernando suggested that it would be prudent to retain by the Company the services of an independent Engineer for this purpose.

In response to the above suggestion the Executive Director clarified to the Meeting that in terms of the Agreement for Construction, this inspection has to be carried out by the Architects, and that Messrs. Kanko Kikaku Sekkeisha Yoza Shibata & Associates have already been retained by the Company for this inspection.

Mr. M. T. L. Fernando further commented that as these Architects are more or less connected with the Contractors, there may be queries to this effect raised by the major Shareholder, viz. the Ministry of Finance & Planning, and other shareholders, for which the ultimate responsibility would lie on the Board of Directors."

Nihal Sri Amerasekera

To such Memorandum forwarded by me, a professional Accountant and a former Director of HDL, the Director of HDL inducted only in December 1986, K.N. Choksy, President's Counsel, then also an *influential* nominated Member of Parliament of the ruling United National Party, giving specific reference to my Memorandum dated 13th December 1989, addressed Letter dated 28th February 1990 to H. Ogami, Executive Director of HDL also a representative of Mitsui & Taisei Consortium.

In his Letter dated 28th February 1990, K.N. Choksy, President's Counsel, who had no knowledge, experience or expertise, whatsoever, in such field, *blatantly* expressly stated that the Completion and Final Certificates given by the Japanese Architects, Kanko Kikaku Sekkeisha Yozo Shibata & Associates *are adequate coverage that the Hotel construction work had been in conformity with all stipulations of the Contract*, and that *HDL will be justified in making payments to Mitsui & Taisei Consortium.* He also adverted to his previous Letter dated 8th August 1988 stating that it was not necessary to get an examination carried out by an independent engineer.

K. N. CHOKSY
TEL. No. 697673.
Telegrams: JAMSHEED
COLOMBO

23/3, SIR ERNEST DE SILVA MAWATHA
(Flower Road)
COLOMBO 7

28th.February,1990.

H.Ogami,Esqr,
Executive Director

(Yr:Ref:HDL/B-280).

Dear Sir,

COMPLETION CERTIFICATE.

I have considered your letter to me dated 21st.February,1990 giving cover to the Memorandum dated 13/12/89,submitted to the Board by Mr.Nihal Sri Amarasekera (Director).

I have considered the Certificate of Practical Completion dated 10/4/1987 and the Completion Certificate (Final Certificate) dated 25/8/88 issued by the Architects under Clause 16 of the General Conditiona of Contract.

These Certificates are inaccordance with the General Conditions of the Contract.The Completion Certificate expressly states that "all necessary defective works have been executed during the defects liability period".The two Certificates are adequate coverage that the Hotel construction work is in conformity with all the stipulations of the Contract, and the owner will be justified in making the balance payment to the contractor in pursuance of these Certificates.

In regard to the necessity/advisability of obtaining a Completion Certificate from a third-party Architect, I have already also advised by letter dated 8th.August 1988 that this is not necessary.

Please table this letter at today's Board Meeting.

Yours faithfully,

K. N. Choksy

(Director)

The aforesaid Letter dated 28th February 1990 of Director K.N. Choksy, P.C. M.P was tabled at the Board Meeting of HDL on the same day 28th February 1990, *whereat I unequivocally rejected outright the said Letter of K.N. Choksy, P.C. M.P. and belated him.*

Explicitly demonstrating and revealing *collusion* immediately after the above Letter dated 28th February 1990 of K.N. Choksy P.C. M.P., endorsing that the full payments be made to Mitsui & Taisei Consortium, on the very next day, 1st March 1990, Mitsui & Taisei Consortium forwarded Letters giving notice to HDL, and to R. Paskaralingam, Secretary, Ministry of Finance & Secretary to the Treasury, representing the Government of Sri Lanka, of the defaults on their Claims on the Loans advanced by them to HDL, which were secured by State Guarantees issued by the Government of Sri Lanka.

The foregoing threatened the precipitation of an *international cross-default* on Sri Lanka's foreign borrowings, since HDL had no funds to make such payments, and such payments had to made by the Government of Sri Lanka, under and in terms of the State Guarantees, which had been issued to Mitsui & Taisei Consortium.

Hence, when K.N. Choksy, President's Counsel and Member of Parliament issued such Letter dated 28th February 1990, he was well and truly aware that the Government of Sri Lanka had to make such payment.

Discovery of the *surreptitious* substitution of the original Architectural Plans

Immediately thereafter on or about 2nd March 1990, in carrying out an examination at the Ministry of Finance & Planning of the Architectural Plans of Kanko Kikaku Sekkeisha, Yozo Shibata & Associates for the Colombo Hilton Hotel, available with the UDA, I *shockingly* discovered that the original Architectural Plans for the Colombo Hilton Hotel, submitted to the UDA on 19th October 1983 and approved on 5th March 1984 *had gone missing and were not available with the UDA.*

What was available was a copy of an unauthorized amended Architectural Plans of Kanko Kikaku Sekkeisha, Yozo Shibata & Associates for the Colombo Hilton Hotel, which had been submitted *surreptitiously* to the UDA on 8th August 1985, and approved on 29th April 1986, whereas construction of the Colombo Hilton Hotel had commenced on 12th March 1984, on the basis of the original Architectural Plans submitted to UDA on 19th October 1983, and approved by UDA on 5th March 1984.

This scandalous *highhanded* and *unscrupulous surreptitious* act was promptly brought by me to the notice of the Board of Directors of HDL, at the Board Meeting on 7th March 1990, with the Government nominee Director, Deputy Secretary to the Treasury, K. Shanmugalingam *expressing utter dissatisfaction* on this grave and serious state of affairs. He stated that any amendment to the original Plans should have been reported, and suggested that the services of a local engineer be obtained and Specified Bills of Quantities be called for.

The Board of Directors were simply '*non-plussed'*, with no explanations and/or clarifications, whatsoever, forthcoming from Director representing Mitsui & Taisei Consortium or anyone else.

In the given circumstances, I addressed Letter dated 24th April 1990 to H. Ogami, Executive Director, HDL and also a representative of Mitsui & Taisei Consortium, putting him on notice of the several grave and serious irregularities and malpractices, which had been *suppressed* from the Board of Directors of HDL, and called for his explanations thereon.

Thereupon the HDL Board of Directors was informed that H. Ogami, a representative of Mitsui & Taisei Consortium was leaving HDL, and that the post of Executive Director of HDL, would not be filled.

Subsequently on 27th April 1990, I received an Amendment dated 2nd April 1990 to the Investment Agreement, whereby Article 11.05 thereof, which gave the right to Mitsui & Taisei Consortium to have a full time Resident Executive Director of HDL was being deleted with effect from 1st May 1990.

Significantly, the foregoing had been the aftermath immediately upon the discovery in March 1990 of the surreptitious substituted amended Architectural Plans and my Letter dated 24th April 1990, in such regard.

Urged thorough examination and Reference to Arbitration

Also on 24th April 1990, I addressed a Memorandum to the Board of Directors of HDL, tabled at its Board Meeting on the same day, recording the appalling facts disclosed, and stating that this was a very grave and serious matter and would need thorough examination and clarification, and that all payments to Mitsui & Taisei Consortium be suspended, until all these matters are thoroughly examined, satisfactorily clarified and resolved, *if not referred to arbitration*.

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P.O.BOX 1796 FAX: 697134 TELEX: 22489 SINALAK CE
CABLES: 'NIHALSRI' TELEPHONE: 686364, 696814. 21549 DESIGN CE

Board Meeting
24th April '90

NIHAL SRI AMERESEKERE

Board of Directors,
Hotel Developers (Lanka) Ltd.

M E M O R A N D U M

1. I wish to refer to Board Meeting held on 7th March '90 (4/90) particularly to para 5 under Section 5 of the Minutes of the said Meeting.

2. As pointed out by me, at the said Board Meeting, on a recent perusal of some of the Architectural Plans and Records, furnished by the Urban Development Authority to the Ministry of Finance, it was disclosed that the Company had apparently filed a set of Amended Plans as evidenced by Letter dated 8th August '85 signed by C. Weerakoon - Chief Engineer, who would have had no authority to sign on behalf of the Company. Copy of the Letter attached (Appendix I)

3. The Company had originally filed a set of Plans for Approval on 19.10.83, as evidenced by the copy of the Receipt, from the file of the Urban Development Authority, attached herewith. (Appendix II) Building Approval apparantly had been received in March '84 as per letter referred to above.

4. I also enclose copy of a Letter dated 19th January '84 from the Director (Dev. Reg. Div) U.D.A. addressed to the Chief Officer, Fire Bridgade, forwarding the original Building Plans, comprising of 27 sheets, submitted by the Company. (Appendix III)

5. The Hotel construction commenced with a 'Ground Breaking Ceremony' on 12th March '84 and apparantly an Amended set of Architectural Plans had been filed without Authority and Approval from the Company, one year and five months thereafter, in August '85.

6. The Certificate of Conformity dated 27th April '87 has been given to be in conformity with the Plans Approved on 29th April '86; obviously the Amended Plans.

7. I was quite shocked and appalled when I came to know of the facts as disclosed above and accordingly brought this matter to the notice

8. I would like to draw the attention of the Board to the Construction Contract executed by the Company on 31st January '84.

   Quote : " Whereas, the Employer is desirous of constructing a first class international hotel of 22 stories containing 452 bays with construction areas of 39,042.3 sq. meters in Colombo., Sri Lanka, which is more fully described in the Drawings and the Technical Specifications attached hereto, and

   Whereas, the Employer has issued a letter of award to the Consortium for the construction of the Project defined in Clause I hereof on 30th March 1983 and "

9. It is quite clear that the Drawings and Specifications that had been attached to the Construction Contract executed by the Company on 31st January '84 had been part and parcel of such Construction Contract.

10. The relevant Certificates issued by the Architects and the Urban Development Authority refer to another set of Drawings and Specifications and not those attached to the Construction Contract executed by the Company on 31st January '84.

11. Accordingly, such Certificates would not be in conformity with the requirements of the Construction Contract executed by the Company on 31st January '84.

12. Loan Agreements and the State Guarantees had been afforded on the basis of the Construction Contract executed by the Company on 31st January '84.

13. The above is a very serious matter and would need thorough examination and clarification. All payments to the Construction/ Lending Consortium should be suspended, till the above matters are thoroughly examined, satisfactorily clarified and resolved, if not referred to arbitration.

Nihal Sri Ameresekere F.C.A.
DIRECTOR
Hotel Developers (Lanka) Ltd.

Representations to the Ministry of Finance & Appointment of J.F.A. Soza, retired Supreme Court Judge to inquire

Immediately thereafter, I addressed Letter dated 27th April 1990 to R. Paskaralingam, Secretary, Ministry of Finance & Secretary to the Treasury, on the foregoing grave and serious irregularities discovered, attaching thereto my aforesaid Memorandum dated 24th April 1990, to the Board of Directors of HDL.

"

27th April 1990

Mr. R. Paskaralingam
Secretary
Ministry of Finance
Secretariat
Colombo 1.

Dear Sir,

HOTEL DEVELOPERS (LANKA) LTD.
Hilton Hotel Colombo

At a Meeting of the Board of Directors, held on 18th December 1989, at which Meeting you met the Board, you sought certain clarifications in relation to the number of Room Bays, in the light of the Memorandum submitted by me to the Board. I responded that certain clarifications on this aspect and related matters had been called for from the Architects. In my opinion no satisfactory clarifications or certifications have been received from the Architects to date. Consequently, a Final Bill of Quantities and Measurements were called for; however, I have been informed that there was no Certified Final Bill of Quantities and Measurements, which I find difficult to accept.

Recently, when the relevant Plans and Drawings, called for from the UDA, were perused at the Ministry of Finance, it was revealed that an Officer of the Company had filed an Amended Set of Plans in August 1985. I have not yet been able to obtain and peruse a copy of the relevant original Architectural Plans that had been submitted to the UDA by the Company in October 1983, for which Approval had been obtained in March 1984 and construction commenced on 12th March 1984, in conformity with the Construction Agreement entered into by the Company on 31st January 1984 based on which the State Guarantees had been extended.

In the light of the facts surfaced to date, I have forwarded the attached Memorandum to the Board of Directors at the last Board Meeting, held on 24th April 1990, setting out the position.

In consequence to certain doubts that had arisen in my mind since 1988, I have endeavoured to pursue and understand this matter. In my opinion the position seems far from satisfactory and I shall endeavour to formulate a Report in this regard and submit shortly.

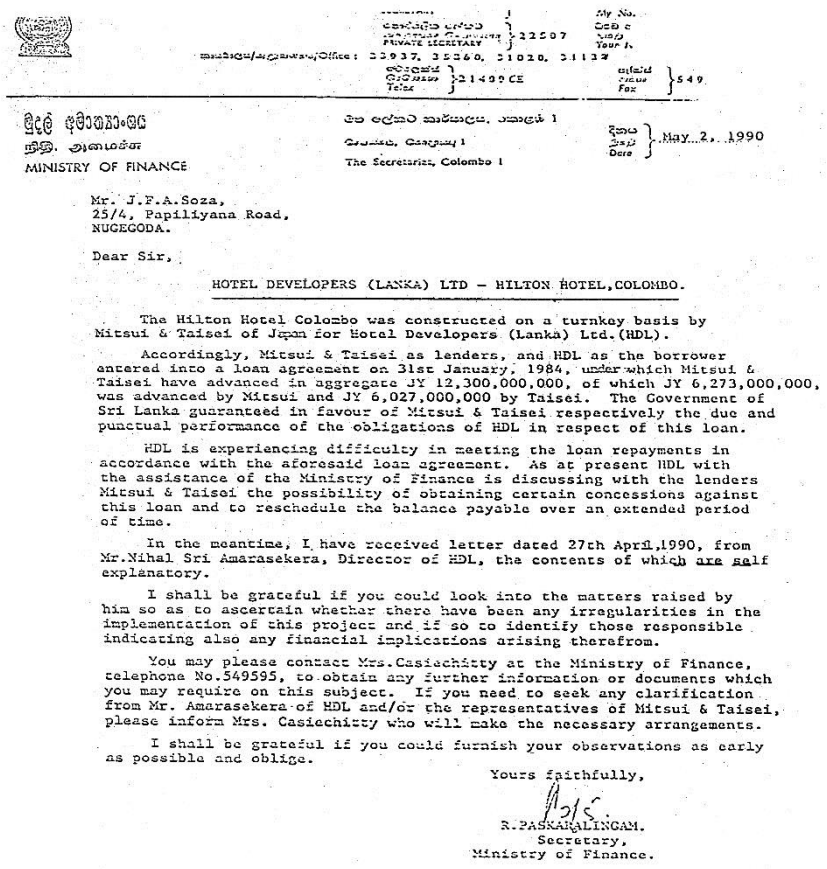
Thanking you,
Yours faithfully,

Nihal Sri Ameresekere
DIRECTOR
Hotel Developers (Lanka) Ltd."

Thereupon, R. Paskaralingam, Secretary, Ministry of Finance & Secretary to the Treasury, acting on my aforesaid Letter, promptly forwarded Letter dated 2nd May 1990 to J.F.A. Soza, *retired* Supreme Court Judge, *later President of the Judges' Institute*, requesting him to inquire into the foregoing matters.

To such Letter to J.F.A. Soza, *retired Supreme Court Judge* had been attached my aforesaid Letter dated 27th April 1990 and my Memorandum dated 24th April 1990 to the Board of Directors of HDL.

The Letter of R. Paskaralingam, Secretary, Ministry of Finance & Secretary to the Treasury also stated that, if to J.F.A. Soza, *retired Supreme Court Judge* needs any clarification from me, that Mrs. V.M.Y. Cassie Chetty, Director, Economic Affairs, Ministry of Finance, will make the necessary arrangements.



My No.
Your No.
PRIVATE SECRETARY 22507
Office : 33937, 35260, 31020, 31137
Telex 21499 CE
Fax 549

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நிதி. அமைச்சு
MINISTRY OF FINANCE

මහ ලේකම් කාර්යාලය, කොළඹ 1
செயலகம், கொழும்பு 1
The Secretariat, Colombo 1

Date May 2, 1990

Mr. J.F.A.Soza,
25/4, Papiliyana Road,
NUGEGODA.

Dear Sir,

HOTEL DEVELOPERS (LANKA) LTD – HILTON HOTEL,COLOMBO.

The Hilton Hotel Colombo was constructed on a turnkey basis by Mitsui & Taisei of Japan for Hotel Developers (Lanka) Ltd.(HDL).

Accordingly, Mitsui & Taisei as lenders, and HDL as the borrower entered into a loan agreement on 31st January, 1984, under which Mitsui & Taisei have advanced in aggregate JY 12,300,000,000, of which JY 6,273,000,000, was advanced by Mitsui and JY 6,027,000,000 by Taisei. The Government of Sri Lanka guaranteed in favour of Mitsui & Taisei respectively the due and punctual performance of the obligations of HDL in respect of this loan.

HDL is experiencing difficulty in meeting the loan repayments in accordance with the aforesaid loan agreement. As at present HDL with the assistance of the Ministry of Finance is discussing with the lenders Mitsui & Taisei the possibility of obtaining certain concessions against this loan and to reschedule the balance payable over an extended period of time.

In the meantime, I have received letter dated 27th April,1990, from Mr.Nihal Sri Amarasekera, Director of HDL, the contents of which are self explanatory.

I shall be grateful if you could look into the matters raised by him so as to ascertain whether there have been any irregularities in the implementation of this project and if so to identify those responsible indicating also any financial implications arising therefrom.

You may please contact Mrs.Casiechitty at the Ministry of Finance, telephone No.549595, to obtain any further information or documents which you may require on this subject. If you need to seek any clarification from Mr. Amarasekera of HDL and/or the representatives of Mitsui & Taisei, please inform Mrs. Casiechitty who will make the necessary arrangements.

I shall be grateful if you could furnish your observations as early as possible and oblige.

Yours faithfully,

R.PASKARALINGAM.
Secretary,
Ministry of Finance.

In the meanwhile, in following-up on the discovery of the *surreptitiously substituted* Architectural Plans, I addressed Letter dated 4th May 1990 to Mrs. V.M.Y. Cassie Chetty, Director, Economic Affairs, Ministry of Finance, with copy thereof to K. Shanmugalingam, Deputy Secretary to Treasury and also Director of HDL.

" 4th May '90

Mrs. V.M.Y. Cassie Chitty
Director - Economic Affairs
Ministry of Finance
Secretariat
Colombo 1.

Dear Mrs. Cassie Chitty,

Hilton Hotel Project - Echelon Square, Colombo

I refer to the Schedule of particulars forwarded by the UDA in response to your request.

The Schedule of data refers to the unauthorised Amended Plans submitted in August '85 in respect of which a Certificate of Conformity had been issued in April 1986.

The Schedule is silent and does not even refer to the contractual original Plans submitted in October 1983 which had been approved in March 1984.

What is required is a copy of the original plans forwarded in October 1983 and approved in March 1984. A photocopy of a relevant UDA letter dated 9th January 1984 and the official receipt in respect of this plan is enclosed which could be forwarded to the UDA for reference.

Further the Room Bays and the Floor Area data given in the Schedules has been set out in a manner that does not afford a clear picture nor a total reconciliation.

Thanking you,
Yours sincerely,

Nihal Sri Ameresekere
DIRECTOR

c.c. Mr. K. Shanmugalingam - Addl. Deputy Secretary to the Treasury "

Upon the request by Mrs. V.M.Y. Cassie Chetty, Director, Economic Affairs, Ministry of Finance, with my Letter dated 8th May 1990, I submitted copies of the contract documents pertaining to the construction of the Colombo Hilton Hotel.

" 8th May '90

Mrs. V.M.Y. Cassie Chitty
Director - Economic Affairs
Ministry of Finance
Secretariat
Colombo 1.

Dear Mrs. Cassie Chitty,

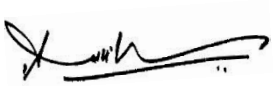
HOTEL DEVELOPERS (LANKA) LTD.
Hilton Hotel

As requested by you I am pleased to submit copies of the following Agreements / Contracts.

1. Preliminary Agreement entered into on 30th March 1983
2. Agreement for Investment entered into on 31st January 1984
3. Loan Agreement entered into on 31st January 1984
4. Agreement for Construction entered into on 31st January 1984
5. General Conditions of Contract for Construction entered into on 31st January 1984
6. Contract for the Supply of Furniture, Fittings & Equipment entered into on 31st January 1984
7. Contract for Design and Supervision entered into on 31st January 1984
8. Interior Design Agreement 17th June, 28th June & 1st July 1985
9. Agreement for Management entered into on 31st January 1984
10. Copies of State Guarantees

As intimated I shall submit the other information and data on Friday 11th May 1990 or Monday 14th May 1990.

Thanking you,
Yours sincerely,

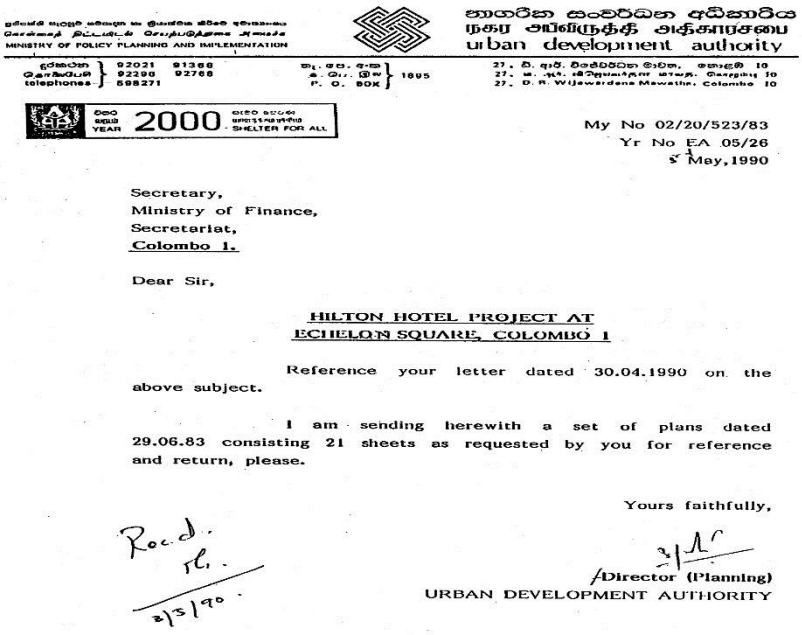


Nihal Sri Ameresekere

c.c. Mr. K. Shanmugalingam - Addl. Deputy Secretary to the Treasury "

'Introduction' of a 21 Sheet Plan, purported as the Original Plans

Subsequently, Mrs. V.M.Y. Cassie Chetty, Director, Economic Affairs, Ministry of Finance, intimated to me that the UDA by Letter dated 3rd May 1990 had submitted a copy of the original Architectural Plans of the Colombo Hilton Hotel dated 29th June 1983, consisting of 21 Sheets.



MINISTRY OF POLICY PLANNING AND IMPLEMENTATION

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நகர அபிவிருத்தி அதிகாரசபை
urban development authority

telephones 92021 91366 / 92290 92768 / 598271

P. O. BOX 1895

27, D. R. Wijewardena Mawatha, Colombo 10

YEAR 2000 SHELTER FOR ALL

My No 02/20/523/83
Yr No EA 05/26
5th May, 1990

Secretary,
Ministry of Finance,
Secretariat,
Colombo 1.

Dear Sir,

HILTON HOTEL PROJECT AT
ECHELON SQUARE, COLOMBO 1

Reference your letter dated 30.04.1990 on the above subject.

I am sending herewith a set of plans dated 29.06.83 consisting 21 sheets as requested by you for reference and return, please.

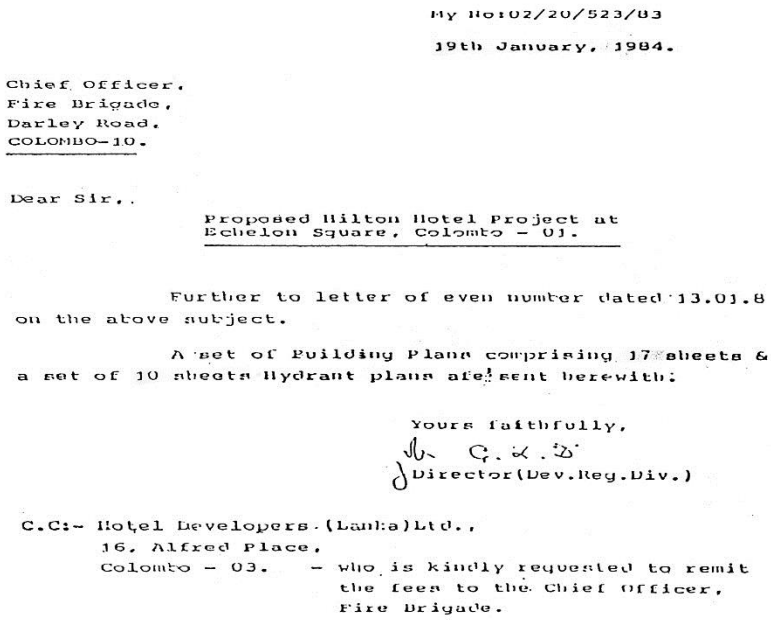
Yours faithfully,

Director (Planning)
URBAN DEVELOPMENT AUTHORITY

Recd.
2/5/90.

At her request, I promptly visited the Ministry of Finance and examined the aforesaid Architectural Plans purported to be the original Architectural Plans of the Colombo Hilton Hotel. Having examined the same I pointed out to Mrs. V.M.Y. Cassie Chetty, Director, Economic Affairs, Ministry of Finance, that this was nothing but a *desperate fraudulent attempt* to *'introduce'* a set of Architectural Plans, purporting to be a copy the original Architectural Plans.

I pointed out that this set of Architectural Plans had only 21 Sheets whereas as had been confirmed by the UDA itself, the original Architectural Plans had 27 Sheets, as per UDA by Letter dated 19th January 1984; and furthermore that this 21 Sheet Architectural Plans did not bear the UDA's Rubber stamped Seal of Approval, containing reference numbers and signatures on the Sheets of the Plans, to have been an authentic copy of the original UDA approved Architectural Plans.



My No:02/20/523/83
19th January, 1984.

Chief Officer,
Fire Brigade,
Darley Road,
COLOMBO-10.

Dear Sir,

Proposed Hilton Hotel Project at
Echelon Square, Colombo - 01.

Further to letter of even number dated 13.01.8 on the above subject.

A set of Building Plans comprising 17 sheets & a set of 10 sheets Hydrant plans are sent herewith.

Yours faithfully,

Director(Dev.Reg.Div.)

C.C:- Hotel Developers (Lanka)Ltd.,
16, Alfred Place,
Colombo - 03. - who is kindly requested to remit the fees to the Chief Officer, Fire Brigade.

Accordingly, I promptly submitted Letter dated 17th May 1990 to Mrs. V.M.Y. Cassie Chetty, Director, Economic Affairs, Ministry of Finance, with copy to K. Shanmugalingam, Deputy Secretary to the Treasury and also Director HDL, confirming the foregoing facts, and suggesting that the UDA be required to take into safe custody all relevant records and documents pertaining to this matter.

Notwithstanding my such requirement these 21 Sheet Architectural Plans, which were so *'introduced'* were also subsequently reported to have *mysteriously gone missing*. However I had taken a photocopy thereof at the time I inspected the same at the Ministry of Finance.

"

17th May '90

Mrs. V.M.Y. Cassie Chitty
Director - Economic Affairs
Ministry of Finance
Secretariat
Colombo 1.

Dear Mrs. Cassie Chitty,

HOTEL DEVELOPERS (LANKA) LTD.
Hilton Hotel

I refer to the set of Architectural Plans that had been submitted to you by the Urban Development Authority, as per their Letter dated 3rd May 1990.

I have observed that as confirmed by the letter (copy attached) from the Urban Development Authority, accompanying these Plans, these Plans comprise of 21 sheets.

However, as per copy of the Urban Development Authority Letter dated 19th January 1984 submitted to the Fire Bridge (copy attached) obtained from the Urban Development Authority Files, that were brought to the Ministry of Finance earlier, the original set of Architectural Plans had comprised of 27 sheets.

On the two previous occasions, when an Officer of the Urban Development Authority, was requested to bring the relevant Architectural Plans, the Original Architectural Plans required were not brought to the Ministry of Finance. When queried the Officer explained that he had brought whatever was available at the Urban Development Authority and that there were no other plans. It was only then that it was discovered that an Amended Set of Architectural Plans had been submitted in August ' 85 and Approved in April 1986.

Even the Note submitted by the Urban Development Authority dated 14th March 1990, in response to the request for certain clarifications, referred to only the Amended Architectural Plans and nor the Original Architectural Plans eventhough I believe this was what was requested.

I also observe the significant absence of the Urban Development Authority's Approval Rubber Stamp bearing reference & signature on the sheets of these Architectural Plans, that would have been placed at the time of Approval of the said Plans for purpose of identification.

I suggest that the Urban Development Authority be requested to take into sate custody all relevant records and documentations pertaining to this matter.

Thanking you,
Yours sincerely,

Nihal Sri Ameresekere
DIRECTOR

HOTEL DEVELOPERS (LANKA) LTD.

c.c. Mr. K. Shanmugalingam - Addl. Deputy Secretary to the Treasury "

In the meanwhile, further to my Letter dated 27th April 1990, I forwarded a Report, as per my Letter dated 14th May 1990, on the several grave and serious irregularities, which tantamount to fraudulent acts. My said Report too had been forwarded to J.F.A. Soza, *retired* Supreme Court Judge, *later President of the Judges' Institute*, who had been requested to inquire into this matter.

"

14th May 1990

Mr. R. Paskaralingam
Secretary
Ministry of Finance
Secretariat
Colombo 1.

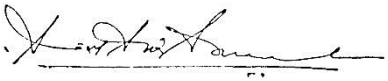
Dear Sir,

HOTEL DEVELOPERS (LANKA) LIMITED
Colombo Hilton Hotel

I write in pursuance of my Letter dated 27th April 1990, and as intimated in the final para therein, I am pleased to forward the attached Report, in relation to the subject matter referred to, together with copies of certain Annexures.

I shall be only too pleased to afford you any further clarifications, explanations or assistance in this regard.

Thanking you,
Yours faithfully,



Nihal Sri Ameresekere
DIRECTOR
HOTEL DEVELOPERS (LANKA) LTD."

Astonishingly, without having called me to seek any clarifications and/or hear me on the foregoing grave and serious discrepancies and irregularities discovered by me, J.F.A. Soza, *retired Supreme Court Judge*, *later President of the Judges' Institute*, had issued his Report dated 28th May 1990, stating that *there had been no irregularities in the implementation of the Hilton Hotel project, and that my objections were untenable and without merit*.

Curiously in addition to having to report on the foregoing grave and serious discrepancies, J.F.A. Soza *retired Supreme Court Judge*, had taken upon himself to unwarrantedly state - that all monies must be paid to Mitsui & Taisei Consortium, and that it would be *illegal* and *immoral* not to make such payments!

Intriguingly, the Report of J.F.A. Soza, *retired Supreme Court Judge* refer to an approved Architectural Plan of 29th June 1983, when the original Architectural Plans had been approved on 5th March 1984, and also refer to an approved amended Plan of 15th July 1985, whereas the *surreptitiously* introduced Amended Plans had been approved by the UDA on 29th April 1986.

Significantly, by an undated Letter in May 1990, disregarding the contents of my Letter dated 17th May 1990, Mrs. V.M.Y. Cassie Chetty, Director, Economic Affairs, Ministry of Finance, had forwarded these *questionable document* to J.F.A. Soza, *retired Supreme Court Judge*.

EA 05/26 (iv)

May, 1990

Mr. J.F.A. Soza,
25/4, Papiliyana Road,
NBgegoda.

Dear Sir,

Hotel Developers (Lanka) Ltd - Hilton Hotel
Colombo

I enclose herewith the following documents.

1. Approved Plan - 1983
2. Approved Amended Plan - 1986
3. Copy of the letter of Mrs C. Weerakoon, Chief Engineer of Hotel Developers (Lanka) Ltd.

Yours faithfully,

For Secretary

Most intriguingly, I having been the Complainant, who had raised questions and issues, upon the discovery of grave and serious irregularities and discrepancies, *was not invited to be heard* by J.F.A. Soza, *retired Supreme Court Judge, later President of the Judges' Institute*, who thereby *intentionally* denied me natural justice, notwithstanding he having been a *retired Supreme Court Judge*, having been specifically requested to obtain clarifications from me, as per Letter dated 2nd May 1990 of R. Paskaralingam, Secretary Ministry of Finance & Secretary to the Treasury, in requesting him to conduct such an inquiry.

Even more curiously, I as the Complainant was not given a copy of the Report dated 28th May 1990 of J.F.A. Soza, *retired Supreme Court Judge*, and hence such Report could not be adduced by me in my derivative action in law, I subsequently instituted on 13th September 1990 in the District Court of Colombo Case No. 3155/Spl, on grounds of fraud perpetrated by Mitsui & Taisei Consortium and others on HDL a Government majority owned Company, and on grounds of fraud against the Government of Sri Lanka, in the context of State Guarantees, which had been issued to Mitsui & Taisei Consortium.

On the other hand, the Supreme Court of Sri Lanka in December 1992 upheld my action on *prima-facie* grounds of fraud, with real prospect of success of being proved, and also upheld the interim injunctions which had been granted by the District Court of Colombo, restraining any payments, whatsoever, being made to Mitsui & Taisei Consortium, either by HDL or by the Government of Sri Lanka, under the State Guarantees issued to Mitsui & Taisei Consortium. The Supreme Court observed that the interim injunctions had been issued *to prevent the devious siphoning of a large scale of foreign exchange from the country*.

Thus the Judgment of the Supreme Court, the highest judiciary in the country *tore into tatters* and put into grave issue the credibility of the *highly questionable* perverse Report *recklessly* and *unilaterally* given for some mysterious reasons by J.F.A. Soza, *retired* Supreme Court Judge, rendering such Report to be sheer *bunkum* !

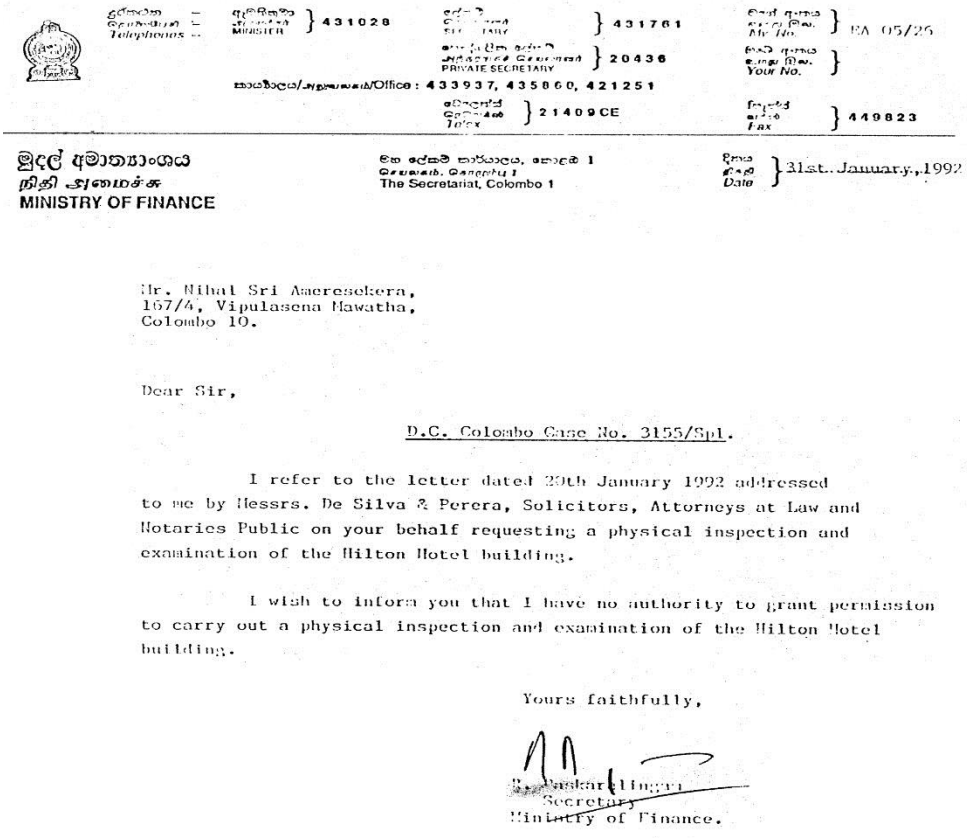
More intriguingly, the Hon. Attorney General, appearing in my Case did not produce to Court the Report of J.F.A. Soza, *retired Supreme Court Judge*, which had been addressed to R. Paskaralingam, Secretary Ministry of Finance & Secretary to the Treasury, who held the majority Shareholding of HDL, on behalf of the Government of Sri Lanka.

Pointedly, Harsha Soza, Attorney-at-Law, the son of J.F.A. Soza, *retired Supreme Court Judge* appeared as a principal Junior Counsel of the Senior President's Counsel, appearing for Mitsui & Taisei Consortium, in my derivative action in law D.C. Colombo Case No. 3155/Spl, and thereafter in the Court of Appeal and the Supreme Court of Sri Lanka, as well.

No authority says R. Paskaralingam, Secretary Ministry of Finance & Secretary to the Treasury

I had caused my Lawyers De Silva & Perera, Solicitors by their Letter dated 20th January 1992 to request R. Paskaralingam, Secretary Ministry of Finance & Secretary to the Treasury to carry out a physical inspections and examination of the constructed Colombo Hilton Hotel.

To my utter disbelief, I received Letter dated 31st January 1992 from R. Paskaralingam, Secretary Ministry of Finance & Secretary to the Treasury, stating that *he had no authority to grant permission to carry out a physical inspection and examination of the constructed Colombo Hilton Hotel*.



Telephones — MINISTER } 431028 — SECRETARY } 431761 — Mr. No. } EA 05/26

PRIVATE SECRETARY } 20436 — Your No. }

Office : 433937, 435860, 421251

Telex } 21409CE — Fax } 449823

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நிதி அமைச்சு
MINISTRY OF FINANCE

මහ ලේකම් කාර්යාලය, කොළඹ 1
செயலகம், கொழும்பு 1
The Secretariat, Colombo 1

Date } 31st January, 1992

Mr. Nihal Sri Ameresekera,
167/4, Vipulasena Mawatha,
Colombo 10.

Dear Sir,

D.C. Colombo Case No. 3155/Spl.

I refer to the letter dated 20th January 1992 addressed to me by Messrs. De Silva & Perera, Solicitors, Attorneys at Law and Notaries Public on your behalf requesting a physical inspection and examination of the Hilton Hotel building.

I wish to inform you that I have no authority to grant permission to carry out a physical inspection and examination of the Hilton Hotel building.

Yours faithfully,

R. Paskaralingam
Secretary
Ministry of Finance.

If the foregoing was the case, the cogent question arises, as to how and with what authority then had R. Paskaralingam, Secretary Ministry of Finance & Secretary to the Treasury, by Letter dated 2nd May 1990 appointed J.F.A. Soza, *retired Supreme Court Judge,* to investigate into the discovery and disclosure by me of the grave and serious discrepancies.

These grave and serious discrepancies had been as a consequence of the original Architectural Plans of the Colombo Hilton Hotel submitted to the UDA on 19th October 1983 and approved by the UDA on 5th March 1984 having been *surreptitiously* substituted in August 1985, *reducing the number of floors and rooms et al.*

Hence, without a physical inspection and examination, how could any investigation have ever been carried out by J.F.A. Soza, *retired Supreme Court Judge?* This alone proves his aforesaid Report was indeed a mere *camouflage* and a *strategic manoeuvre* to cover-up.

Appalling conduct on the part of the Officials at the highest levels of the Ministry of Finance, acting in collusion with K.N. Choksy P.C., M.P.

Immediately after the District Court of Colombo delivered on 28th October 1991 a *scathing* and *castigating* Order and issued interim injunctions restraining any payments, whatsoever, being made to Mitsui & Taisei Consortium by HDL and/or by the Government of Sri Lanka, under the State Guarantees issued to Mitsui & Taisei Consortium, there had been a *flurry* of activity on the part of the Officials at the highest levels of the Ministry of Finance, as evidenced by the Minutes made in the Finance Ministry File pertaining to this subject matter.

De Silva & Perera, Attorneys-at-Law, acting on my behalf, submitted Letter dated 12th November 1991, forwarding a copy of the above Order of the District Court of Colombo to the Hon. Attorney General, Sunil de Silva, President's Counsel, with copy thereof to the Secretary, Ministry of Finance & Secretary to the Treasury, R. Paskaralingam, who had on 15th November 1991 minuted thereon to Mrs. V.M.Y. Cassie Chetty, Director, Economic Affairs, Ministry of Finance thus – ***"Please study this. The Japanese Ambassador told me this may affect our aid. Urgent "***

In response to the above Minute made on the above Letter, at Folio 60 of the relevant Finance Ministry File, Mrs. V.M.Y. Cassie Chetty, Director, Economic Affairs, Ministry of Finance had on 20th November 1991 typed the following shocking Minutes, addressed to Secretary to the Treasury, through the Addl. Deputy Secretary to the Treasury.

"S/T Addl. D.S.T.

I refer to your minute at f (60) and wish to make the following observations.

The lawyers of Mr. Nihal Amaresekera has requested A.G. to inform relevant parties including Exim / Bank that the State guarantees would be null & void under circumstances of fraud, in view of the recent decision of the District Court.

The request made has no merit whatsoever. Mr. Amaresekera's lawyers do not need to remind A.G. of his responsibilities and duties. The Guarantee document signed by the Government clearly states that in case fraud is proved that the guarantee will be null and void. Therefore, there is no need to anyone to remind the parties concerned about this fact.

I discussed this with Mr. Shibly Aziz and he informed me that they will ignore this Letter as there is no action they can possibly take.

The recent letters sent by Mr. Amaresekera show that he is over reacting to the recent judgment. Pl. see f(59) letter of 8th November 1991 wherein he says the District Judge has observed (a) to (l) on pg (1) and (2). it is correct that these facts are mentioned in the Judgment but in doing so the Judge has merely repeated the allegations made by Mr. Ameresekere and has not reached any conclusion of his own. The Judge has merely considered whether a loss would be caused to the country by the payment of monies to Japanese in view of the allegations made by the Plaintiff and concluded that damage could be caused if the monies are siphoned off and therefore, decided that the Interim Injunction should stand. The Judge has also, observed that the Lenders would have to be compensated with adequate interest if the final decision is in their favour.

The Japanese are appealing against the decision of the D.C. Judge that no payment at all should be made to them.

The decision of the Judge that no payment at all should be made seems unfair in view of the fact that it is only a part of the construction that is in dispute. Mr. Aziz is also, of the view that we should support the appeal of the Japanese. He is studying the matter and will get back to us. I think it is reasonable to support the appeal if A.G. considers if proper do so.

The other way we could help the Japanese and also, strengthen the position of the Government is by expediting the signing of the amended Investment and Share Transfer Agreements. Pl. see minutes at Ms 13, 14, 15 and 16 regarding this matter.

Sgd.
20/11/1991 "

Consequently, on 22nd November 1991, Addl. Deputy Secretary to the Treasury, K. Shanmugalingam, also Director of HDL, had made the following hand written Minutes the Secretary to the Treasury:

'S/T

(1) I am informed that Mr. Amerersekere is trying to get the company de listed from the Stock Exchange. This has to be stopped.

(2) **We may re-assure the Japanese that our guarantee of the loan will be honoured in terms of the re-scheduling we have agreed to**.

(3) **Request Attorney General to take a fair view of this situation and support the Japanese firms to the extent possible, in their appeal to the Supreme Court. I think we should take a positive stand on this**.

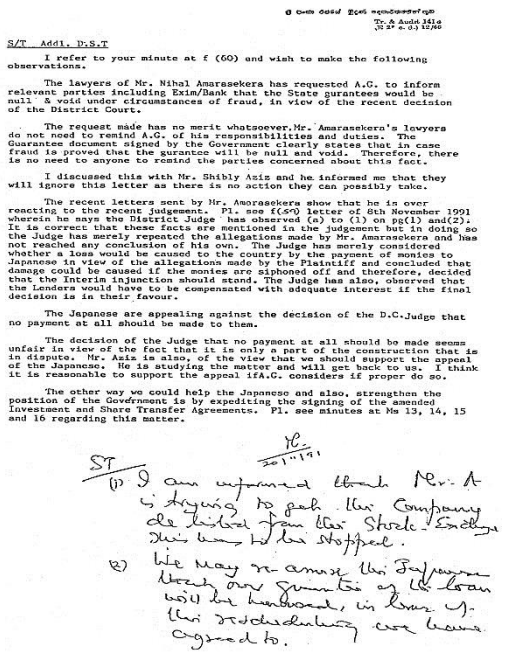
Sgd.
22/11/1991 '

Promptly on 23rd November 1991, R. Paskaralingam, Secretary, Ministry of Finance & Secretary to the Treasury, had made following hand written Minute:

'Please discuss with Mr. K.N. Choksy and map out our strategy. The UDA Director tells me that the building is in accordance with the Plans. The UDA had issued the Certificate of Conformity. The UDA can give evidence. This must be settled. Urgent.

Sgd.
23/11/1991 '

Scanned copies of the above Minutes are given below.



S/T Addl. D.S.T

I refer to your minute at f (60) and wish to make the following observations.

The lawyers of Mr. Nihal Amarasekera has requested A.G. to inform relevant parties including Exim/Bank that the State gurantees would be null & void under circumstances of fraud, in view of the recent decision of the District Court.

The request made has no merit whatsoever.Mr. Amarasekera's lawyers do not need to remind A.G. of his responsibilities and duties. The Guarantee document signed by the Government clearly states that in case fraud is proved that the gurantee will be null and void. Therefore, there is no need to anyone to remind the parties concerned about this fact.

I discussed this with Mr. Shibly Aziz and he informed me that they will ignore this letter as there is no action they can possibly take.

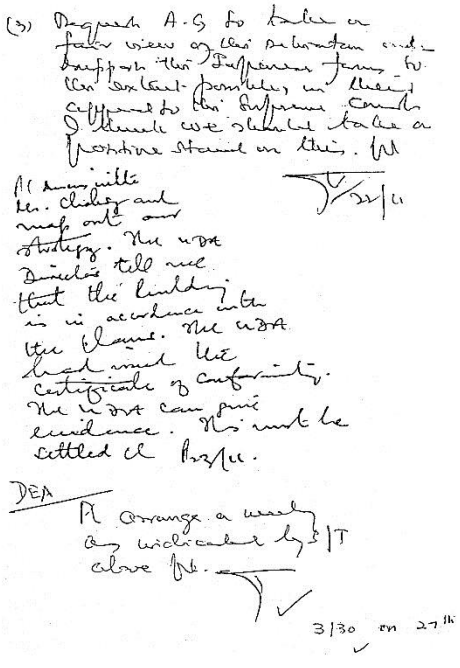
The recent letters sent by Mr. Amarasekera show that he is over reacting to the recent judgement. Pl. see f(60) letter of 8th November 1991 wherein he says the District Judge has observed (a) to (i) on pg(1) and(2). It is correct that these facts are mentioned in the judgement but in doing so the Judge has merely repeated the allegations made by Mr. Amarasekera and has not reached any conclusion of his own. The Judge has merely considered whether a loss would be caused to the country by the payment of monies to Japanese in view of the allegations made by the Plaintiff and concluded that damage could be caused if the monies are siphoned off and therefore, decided that the Interim injunction should stand. The Judge has also, observed that the Lenders would have to be compensated with adequate interest if the final decision is in their favour.

The Japanese are appealing against the decision of the D.C.Judge that no payment at all should be made to them.

The decision of the Judge that no payment at all should be made seems unfair in view of the fact that it is only a part of the construction that is in dispute. Mr. Aziz is also, of the view that we should support the appeal of the Japanese. He is studying the matter and will get back to us. I think it is reasonable to support the appeal if A.G. considers if proper do so.

The other way we could help the Japanese and also, strengthen the position of the Government is by expediting the signing of the amended Investment and Share Transfer Agreements. Pl. see minutes at Ms 13, 14, 15 and 16 regarding this matter.

ST
(1) I am informed that Mr. A is trying to get the Company de listed from the Stock Exchange. This has to be stopped.
(2) We may re-assure the Japanese that our guarantee of the loan will be honoured, in terms of the re-scheduling we have agreed to.



(3) Request A.G to take a fair view of the situation and support the Japanese firms to the extent possible, in their appeal to the Supreme Court. I think we should take a positive stand on this.

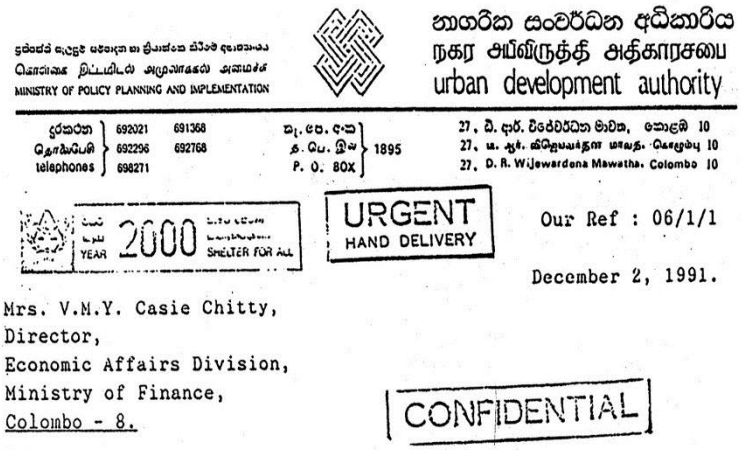
I am with Mr. Choksy and map out our strategy. The UDA Director tell me that the building is in accordance with the Plans. The UDA had issued the certificate of conformity. The UDA can give evidence. This must be settled. Urgent.

DEA
Pl arrange a meeting as indicated by ST above.

3/30 on 27/11

Addl. Director General, UDA, promptly issues questionable Letter

Immediately after the foregoing, the **Addl. Director General, UDA, Prasanna Gunawardene**, *later a Mayor of the City of Colombo* from the United National Party, had issued a *highly questionable* Letter dated 2nd December 1991 stating – ***'to set the records straight and correct any misconceptions'***, and affirmed that the UDA was ***'fairly confident'*** that it has a copy of the original Architectural Plans of the Colombo Hilton Hotel, which had been submitted to the UDA in 1983; whilst R. Paskaralingam, also functioned as the Secretary of the Ministry in charge of UDA and as the Chairman of UDA.



நாகரிக சம்வர்தன அதிகாரிய
நகர அபிவிருத்தி அதிகாரசபை
urban development authority

MINISTRY OF POLICY PLANNING AND IMPLEMENTATION

தொலைபேசி 692021 691368
தொலைபேசி 692296 692768
telephones 698271

தபால் பெட்டி இல 1895
P. O. BOX

27, டி. ஆர். விஜேவர்தன மாவத, கொழும்பு 10
27, ம. ஆர். விஜெயவர்தன மாவத, கொழும்பு 10
27, D. R. Wijewardena Mawatha, Colombo 10

YEAR 2000 SHELTER FOR ALL

URGENT
HAND DELIVERY

Our Ref : 06/1/1

December 2, 1991.

Mrs. V.M.Y. Casie Chitty,
Director,
Economic Affairs Division,
Ministry of Finance,
Colombo - 8.

CONFIDENTIAL

HILTON HOTEL

0.0 This refers to matters in a letters dated 08.08.91 & 05.09.91 addressed to His Excellency the President by Hon. Vasudeva Nanayakkara, MP and a letter addressed to Hon. Vasudeva Nanayakkara, MP by Mr. Vijitha Meegahawatte, Attorney-at-Law which the Hon. MP had forwarded to His Excellency the President along with his letter of 08.08.91 referred to above regarding the Hilton Hotel.

1.0 In these letters and in several press reports regarding the Hilton Hotel he has alleged that the plans originally submitted to the Urban Development Authority (UDA) for Planning Approval are not available with the UDA, the UDA has admitted that such plans are not available & that such plans have been destroyed & substituted by another set of plans.

2.0 I have carefully gone through the records of the UDA and I find as follows :

a) The application for a Building Approval for the Hilton Hotel had been submitted to the UDA in 1983. The Approval had been granted in 1985.

b) At the receipt of a Building Application, the Floor Area of the proposed Buildings are computed from the plans submitted for approval for purposes of levying the processing charge.

(Contd. - 2 -)

At receipt of the application for approval of Plans for the Hilton Hotel in 1983 the Floor Area of the Hotel Building had been accordingly computed and is recorded in the file.

We have now calculated the Floor Area of the Hilton Hotel indicated in the plans approved in 1985.

Both these Floor Areas tally and it is clear that the Floor Area of the Hotel indicated in plans submitted in 1983 is the same as the Floor Area of the Hotel indicated in plans approved in 1985.

c) In item 4 of a Memorandum dated 24.04.90 addressed to the Board of Directors of Hotel Developers (Lanka) Ltd. by Mr. Nihal Sri Amarasekera, it is stated that Director (Development Regulations) UDA had addressed a letter dated 19.01.84 to the Chief Officer, Fire Brigade forwarding the original Building Plans comprising of 27 sheets.

The plans approved in 1985 comprise of 27 sheets.

d) There is absolutely no record in the file that the UDA had admitted that the plans submitted in 1983 are not available, nor that they had been substituted. Neither is there any record in the file that information to the effect has been given by any Officer of the UDA. Since the Officers who handled the Development Regulations Division prior to October 1991 are not in employment at the UDA, no inquiries regarding any possible verbal information has been made from them.

3.0 Considering matters above, we are fairly confident that the Approved Plans - a Certified Copy of which is available with us - are the Plans submitted in 1983.

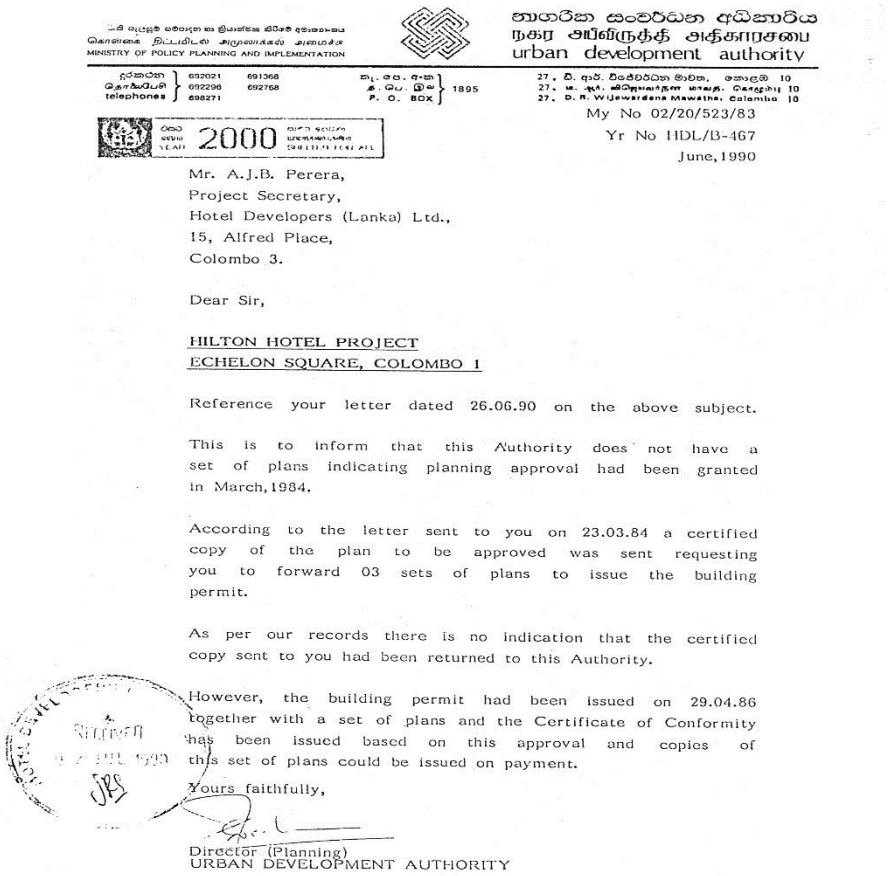
4.0 We had brought the matters mentioned above to the notice of S/PP&I who had instructed us to communicate this information to you and through you to the Attorney General to set the records straight & correct any misconception.

I shall be thankful if this information could be conveyed to the Attorney General. Please contact me on tel. 685539 for any clarifications in this connection.

Prasanna Gunawardena,
Addl. Director General (Planning & Operations),
URBAN DEVELOPMENT AUTHORITY.

PG/ja.

The foregoing had been notwithstanding the contents of Letter issued in June 1990 by Director (Planning) of the UDA, itself, confirming that the UDA *does not have a copy* of the original Architectural Plans of the Colombo Hilton Hotel, approved by the UDA, as per its Letter dated 5th March 1984



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நகர அபிவிருத்தி அதிகாரசபை
urban development authority

MINISTRY OF POLICY PLANNING AND IMPLEMENTATION

telephones 692021 691368 692296 692768 698271

P. O. BOX 1895

27, D. R. Wijewardena Mawatha, Colombo 10

My No 02/20/523/83
Yr No HDL/B-467
June, 1990

2000 YEAR

Mr. A.J.B. Perera,
Project Secretary,
Hotel Developers (Lanka) Ltd.,
15, Alfred Place,
Colombo 3.

Dear Sir,

HILTON HOTEL PROJECT
ECHELON SQUARE, COLOMBO 1

Reference your letter dated 26.06.90 on the above subject.

This is to inform that this Authority does not have a set of plans indicating planning approval had been granted in March, 1984.

According to the letter sent to you on 23.03.84 a certified copy of the plan to be approved was sent requesting you to forward 03 sets of plans to issue the building permit.

As per our records there is no indication that the certified copy sent to you had been returned to this Authority.

However, the building permit had been issued on 29.04.86 together with a set of plans and the Certificate of Conformity has been issued based on this approval and copies of this set of plans could be issued on payment.

Yours faithfully,

Director (Planning)
URBAN DEVELOPMENT AUTHORITY

Later at the Special Presidential of Inquiry, in giving evidence in 1995, then Chairman of UDA, Suren Wickramasinghe, a Chartered Architect, *confirmed that the UDA did not have a copy of the original Architectural Plans, which had been submitted to the UDA in October 1983 and approved by the UDA in March 1984, thereby giving the lie* to the aforesaid *highly questionable* Letter dated 2nd December 1991, which had been *recklessly* issued by Addl. Director General, UDA Prasanna Gunawardene, even after the District Court of Colombo inter-partes Inquiry for the issuance of the interim injunctions, at which Inquiry too, it was confirmed to the District Court that the UDA did not have a copy of the original Architectural Plans of the Colombo Hilton Hotel.

Desperate attempt by K.N. Choksy, P.C., M.P. to have my legal action against Mitsui & Taisei Consortium dismissed to facilitate payment of Claims of Mitsui & Taisei Consortium

K.N. Choksy P.C., M.P., though was the 7th Director-Defendant named in my Plaint in the derivative action in law in District Court of Colombo Case No. 3155/Spl, and was represented by private Counsel, did not file Objections to the issuance of the interim injunctions, restraining HDL from making any payments to Mitsui & Taisei Consortium, and restraining Mitsui & Taisei Consortium from claiming any monies from HDL and/or the Government of Sri Lanka, under the State Guarantees, which had been issued to them.

Though the averments in my Plaint, *inter-alia*, contained the *wrong-doing conduct and actions* of K.N. Choksy P.C., M.P., he neither filed Objections, nor filed Answer in the District Court of Colombo, refuting and/or denying the same, whereby his such *wrong-doing conduct and actions*, as averred, stood *undisputed,* and thereby *admitted* by him and established.

Having not filed Objections in the District Court of Colombo, and having not participated at the Inquiry in the District Court into the issuance of the above interim injunctions, K.N. Choksy P.C., M.P., intervened through private Counsel in the Court of Appeal of Sri Lanka, to support the Leave to Appeal Applications filed by Mitsui & Taisei Consortium and Kanko Kikaku Sekkeisha Yozo Shibata & Associates, against the grant of interim injunctions by the District Court. The Court of Appeal by its Order dated 17th January 1992 permitted K.N. Choksy P.C., M.P., to participate in the proceedings in the Court of Appeal

As borne out by the record of the Order made by the Court of Appeal on 31st January 1992, K.N. Choksy P.C., M.P., as the 7th Director-Defendant, caused his Counsel to mislead the Court of Appeal, by asserting, that *the right to bring a derivative action in law did not exist in Sri Lanka*, and thereby endeavoured to have my derivative action in law instituted in the interest of HDL and for its benefit, dismissed, with intent to facilitate Mitsui & Taisei Consortium to obtain payments on their Claims from the Government of Sri Lanka, under and in terms of State Guarantees, which had been issued to them. *Extracts of the Court of Appeal Order of 31st January 1992 are cited*:

> "The Counsel for the 7th Defendant-Respondent submitted that right to bring a derivative action does not exist under the Sri Lankan Law. He submitted that the Companies Act of Sri Lanka is comprehensive on the rights of the shareholders. He further argued that only rights available to a shareholder are those specified in Section 210 and 211 of the Companies Act, in this regard. Those rights he pointed out could only be exercised by a shareholder having a minimum of five percent of shares of the Company"

Endeavour by the Hon. Attorney General to support the stances taken by K.N. Choksy P.C., M.P.

Similarly, HDL represented by the Hon. Attorney General, having not filed Objections in the District Court of Colombo to the grant of interim injunctions, with one interim injunction having been against HDL, and having not participated at the District Court Inquiry into the grant of the interim injunctions, *likewise* intervened in the Court of Appeal, to collaborate and sail with K.N. Choksy P.C., M.P., and support the Leave to Appeal Applications filed by Mitsui & Taisei Consortium and Kanko Kikaku Sekkeisha Yozo Shibata & Associates, against the grant of interim injunctions by the District Court. The Court of Appeal by its Order dated 17th January 1992 permitted the Hon. Attorney General to participate in the proceedings in the Court of Appeal.

Significantly, inasmuch as K.N. Choksy P.C., M.P., prevented the Board of Directors of HDL from carrying out an independent engineering examination of the constructed Colombo Hilton Hotel, the Hon. Attorney General, representing HDL, opposed an Application made by me in March 1992 in the District Court of Colombo, to have a Commission issued to a Chartered Architect, to carry out a physical examination and verification of the constructed Colombo Hilton Hotel and an inventory compiled of all its assets. *(Colombo Hilton Hotel Construction - Fraud on Sri Lanka Government – Vol. I – Sri Lanka's First Derivative Action in Law – by same Author)*

Supreme Court holds otherwise

The Supreme Court on 27th May 1992 in granting Special Leave to Appeal against the aforesaid perverse Court of Appeal Orders and Judgment, held that K.N. Choksy P.C., M.P. and the Hon. Attorney General, both having not participated in the District Court of Colombo proceedings, had no status or standing, whatsoever, to have *parachuted* into the Applications for Leave to Appeal made by Mitsui & Taisei Consortium and Kanko Kikaku Sekkeisha Yozo Shibata & Associates, and *sternly reprimanding them*, refused permission for them to appear in the Supreme Court.

Consequently, the Supreme Court having heard and considered the arguments at the Hearing into the Appeal, delivered Judgment on 2nd December 1992, specifically *adverting* to the foregoing *dicta* in the Court of Appeal Order, and *held that I had a right to institute a derivative action in law in Sri Lanka*, and upheld my Case as a *serious prima-facie case of fraud with real prospect of success of being proven*, and further upheld the interim injunctions, which had been issued by the District Court

of Colombo, observing that they had been issued to prevent the devious siphoning of a large scale of foreign exchange from the country.

The Learned District Judge in his Order dated 9th September 1991, in granting the interim injunctions on 28th October 1991, had *inter-alia* stated that - those who are *exercising the influence they have gained in society* had prevented the raising of questions in connection with the contracts, prospectus, etc., and a correct examination, as to whether work carried out was in accordance with the contractual agreements, and having prevented such correct examination, were attempting to effect payment of monies, collaborating in a manner adverse to the interests of HDL; and if the facts stated are correct, then this is an instance of acting in fraudulent collusion, and that the interim injunctions were being issued *to prevent the devious siphoning out of a large scale of the foreign exchange from the country*.

After the Supreme Court of Sri Lanka granted Special Leave to Appeal on 27th May 1992, the Hearing of the Appeal in the Supreme Court was fixed for 18th and 19th November 1992, with parties having to tender Written Submissions in terms of the Supreme Court Rules.

The Supreme Court in granting Special Leave to Appeal on 27th May 1992 had already ordered that K.N. Choksy P.C., M.P., a wrong-doer Director-Defendant and the Hon. Attorney General appearing for HDL could not be heard at the Hearing into the Appeal in the Supreme Court, since they had neither participated at the Inquiry, nor filed any papers in the District Court of Colombo, opposing my Application for Interim Injunctions. Thus *they were precluded and debarred from teaming up with* Mitsui & Taisei Consortium and Japanese Architects, Kanko Kikaku Sekkeisha Yozo Shibata & Associates.

Hon. Attorney General Compromised

When I instituted on 13th September 1990, my first derivative action in law, District Court of Colombo Case No. 3155/Spl., the Hon. Attorney General at that time was Sunil de Silva, President's Counsel. He, with the permission of my Senior Counsel, P. Navaratnarajah, Queen's Counsel, having invited me for a discussion, together with Junior Counsel, S.P. Sriskantha, Attorney-at-Law, and having examined the relevant facts and documents, he intimated that *in the interest of the country*, he would not oppose me in this Case.

Accordingly, as per his instructions, then Addl. Solicitor General, Shibly Aziz, President's Counsel, (*now President of Bar Association of Sri Lanka),* who represented him, as Counsel for HDL in this Case, did not file Objections to the issuance of the Interim Injunctions, preventing payments to the Mitsui & Taisei Consortium, with one such Interim Injunction being against HDL, itself. Accordingly, Addl. Solicitor General, Shibly Aziz, President's Counsel, though was present in the District Court of Colombo *throughout* the Inquiry into the issuance of the Interim Injunctions, did not participate in the said Inquiry. Hence the Interim Injunction against HDL was issued, without any *demur* whatsoever, on its part.

Thereafter, in January 1992, Addl. Solicitor General, Shibly Aziz, President's Counsel took a *diametrically* different stance in the Court of Appeal of Sri Lanka, *sailing* together with K.N. Choksy P.C., M.P., to support Mitsui & Taisei Consortium, obviously acting against *the interest of country,* in the context of the stance, which had been taken by the former Hon. Attorney General, Sunil de Silva, President's Counsel.

In the context of such *diametrically* different stance of the Addl. Solicitor General, Shibly Aziz, President's Counsel, immediately after the proceedings on 17th January 1992 in the Court of Appeal, I addressed Letters dated 20th and 21st January 1992 to the Secretary, Ministry of Finance & Secretary to the Treasury, with copies to the Deputy Sectaries to the Treasury, to apprise them of what had transpired in the Court of Appeal, *detrimental* to the interests of HDL and the Government of Sri Lanka, as the Guarantor having issued State Guarantees to Mitsui & Taisei Consortium.

Intriguingly, no action, whatsoever, was taken thereon, regardless of the detriment to the interests of the Government of Sri Lanka !

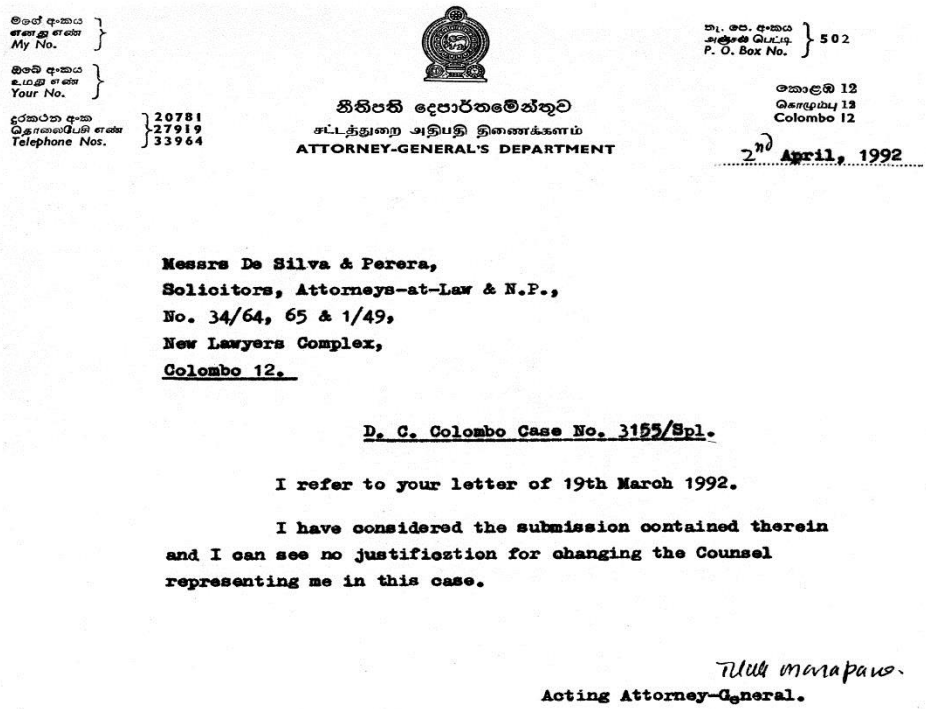
Hon. Attorney General put on notice

In addition to the foregoing, whilst T.J. Marapana, President's Counsel was the Actg. Hon. Attorney General, shortly thereafter in March 1992, the Addl. Solicitor General, Shibly Aziz, President's Counsel, appearing for HDL, representing the Hon. Attorney General, quite *appallingly* opposed my Application in the District Court of Colombo, to have a Commission issued to a Chartered Architect, to carry out a physical inspection, examination and verification of the constructed Colombo Hilton Hotel of HDL.

In the given circumstances, De Silva & Perera, my Attorneys-at-Law, addressed Letter dated 19th March 1992 to the State Attorney, representing HDL, with copies of the said Letter to the Hon. Attorney General and the Government Nominee Directors on the Board of Directors of HDL.

Response by Actg. Attorney General, T.J. Marapana, President's Counsel

In response to the foregoing, the Actg. Attorney General, T.J. Marapana, President's Counsel, submitted Letter dated 2nd April 1992 to De Silva & Perera, my Attorneys-at-Law, *taking full responsibility* for the conduct of the Counsel, *who was representing him*, as aforesaid.



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சட்டத்துறை அதிபதி திணைக்களம்
ATTORNEY-GENERAL'S DEPARTMENT

මගේ අංකය / எனது எண் / My No.
ඔබේ අංකය / உமது எண் / Your No.
දුරකථන අංක / தொலைபேசி எண் / Telephone Nos. 20781, 27919, 33964
තැ. පෙ. අංකය / அஞ்சல் பெட்டி / P. O. Box No. 502
කොළඹ 12 / கொழும்பு 12 / Colombo 12

2nd April, 1992

Messrs De Silva & Perera,
Solicitors, Attorneys-at-Law & N.P.,
No. 34/64, 65 & 1/49,
New Lawyers Complex,
Colombo 12.

D. C. Colombo Case No. 3155/Spl.

I refer to your letter of 19th March 1992.

I have considered the submission contained therein and I can see no justification for changing the Counsel representing me in this case.

T.U.B. Marapana.
Acting Attorney-General.

***Subsequently,* as Members appointed to the Parliament of Sri Lanka from the National List of the United National Party, both K.N. Choksy President's Counsel and T.J. Marapana, President's Counsel became Cabinet Ministers in the United National Party Government.**