

Y.V.R. BALASURIYA - SOLICITOR
V.D.N. WIJESEKERA
J.M.A.T. JAYASUNDARA

Your Ref.
Please Quote Rf.

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BY COURIER

23rd November 2011

Mr. Lal Wickramatunga
Chairman, Leader Publications (Pvt) Ltd.
24, Katukurunduwatte Road
Ratmalana.

Leader Publications (Pvt) Ltd.
24, Katukurunduwatte Road
Ratmalana.

Ms. Frederica Jansz
Editor, The Sunday Leader
Leader Publications (Pvt) Ltd.
24, Katukurunduwatte Road
Ratmalana.

Mr. Faraz Shauketaly
Part-Time Reporter
Leader Publications (Pvt) Ltd.
24, Katukurunduwatte Road
Ratmalana.

**Report titled "Hilton Colombo; the Chairman's Special Deal"
on Page 8 of The Sunday Leader of 20.11.2011**

We write as instructed on behalf of Consultants 21 Ltd. / its Directors, Mr. Sarva Ameresekere, BSc, MSc / Mr. Nihal Sri Ameresekere, FCA, FCMA, CMA, CFE of 167/4, Vipulasena Mawatha, Colombo 10, on the aforementioned Report *vis-à-vis* Hotel Developers (Lanka) PLC (HDL), and put you on notice of the following:

1. Your said report is replete with distortions and falsehoods and had been published with deliberate intent to discredit and defame Mr. Nihal Sri Ameresekere in the public domain and to cause mischief.
2. This is not the first occasion that you have done so. You have been put on notice on several previous occasions, and had evaded publishing corrections.
3. More significantly, you have so published to intentionally cause *substantial prejudice* to the pending legal action instituted by Consultants 21 Ltd., in the Commercial High Court and 2 Applications made to the Supreme Court by Mr. Nihal Sri Ameresekere, challenging the Bill, commonly referred to as the "Expropriation Bill", *inter-alia*, also including *vis-à-vis* HDL.
4. Our Clients verily believe that you have so published at the behest and/or instigation of interested and/or affected parties by the aforesaid litigations, and who had presumably afforded you a copy of a Report you refer to.
5. The litigation you refer to was not a public interest action, but a commercial law litigation instituted, as one of the parties to HDL, having a stake therein.
6. The Cabinet of Ministers had approved professional compensation to Mr. Nihal Sri Ameresekere / Consultants 21 Ltd., for the benefit obtained in June 1995 by their sole efforts, amidst many obstructions, of the write-off of Jap. Yen 17,586 Mn., then SL Rs. 10,200 Mn. on State Guarantees, and re-scheduling the balance for further 15 years, at reduced rate of interest; and for further defending the interests of the Government in several subsequent litigations instituted.

7. The aforesaid write-off at 12% p.a. interest would today amount to over Rs. 70,000 Mn., in comparison to the Claim by the Government from HDL of Rs. 12,000 Mn., comprising a Capital Rs. 4000 Mn. and Interest Rs. 8000 Mn.
8. In the context of the Winding-up Application filed in 2006 by Mr. Nihal Sri Ameresekere, Interest approximately of Rs. 4000 Mn., is not chargeable, and if at all would be personal liabilities of the HDL Directors, particularly the Government Directors, who controlled HDL and opposed the Winding-up.
9. The Report referred to had been prepared by the Merchant Bank of Sri Lanka Ltd., (MBSL) on a direction made by the Supreme Court in January 2006, wherein it had been required the interests of all stakeholders to be taken into reckoning.
10. MBSL had been selected solely and independently by the Ministry of Finance & Planning to prepare the said Report, sans any consultations with our Clients.
11. Subsequently, the Supreme Court had minuted – ‘As regards Mr. Ameresekere, the matter has already been resolved on the basis that his services would be quantified on an independent assessment.’
12. MBSL had required informations, documentations and representations to be made to carry out their assignment and forward the report in July 2006; which had also reported that the consequent debacle of HDL had been caused by the conduct and actions of Minister G.L. Peiris.
13. Since Mr. Nihal Sri Ameresekere, declined to get personally involved, the professional services of Mr. Manohan Nanayakkara, FCMA, MS, of Park Street Hotel, No. 20, Park Street, Colombo 2, an expertised professional consultant, knowledgeable and competent, was retained to afford such assistance to MBSL.
14. He had independently submitted a professional report *vis-à-vis* the rights and entitlements of Mr. Nihal Sri Ameresekere / Consultants 21 Ltd. Mr. Sarva Ameresekere, Director, Consultants 21 Ltd., had afforded the necessary informations and documentations our Clients were not involved in the formulation of the report.
15. Contrary to your false and misleading report, at the relevant time, Mr. Nihal Sri Ameresekere was not the Chairman of HDL, nor a Director of HDL, having resigned previously in 2005.
16. By our Letter dated 28.3.2011, (*copy attached*) written on behalf of Mr. Nihal Sri Ameresekere, all of you had been put on notice of the facts stated therein, *which are reiterated*, and intimating that you would be further written to. Action against you was and is being contemplated for Complaints to be made for the Contempt of the Supreme Court on two specific matters.
17. Your aforesaid false, misleading and malicious Report on a matter not within your professional competence, knowingly suppressing the foregoing facts, had been deliberately and intentionally published with *mala-fide* intent, at the behest and/or instigation of interested party/ies *to cause substantial prejudice* to the litigations referred to above, including the Applications pending in the Supreme Court.
18. Hence, copy of this Letter is being forwarded to the Registrar of the Supreme Court [*re – SC (SD) 2/2011 & SC (FR) 534/2011*] and, a further 3rd Complaint for Contempt of the Supreme Court is under consideration.

In the context of concerns of your sources of funding, which also had been raised with our Client by your Mr. Faraz Shauketaly, himself, your part-time Reporter, and who disclosed to our Client that he is *wheeler-dealing* in business, and had been introduced, by a mutual friend, who too had raised such concerns, please confirm that you, whilst pontifically misleadingly reporting on others of the public, you in fact, are complying, as mandated, with the provisions of the Declarations of Assets and Liabilities Law of No. 1 of 1975, as amended; inasmuch as a public figure, Ranil Wickremesinghe had disclosed that Rs. 11 Mn. had been paid to you for publication of editorial and/or content, and not advertising.

Yours faithfully,

V.W. Kularatne Associates.

Attorneys-at-Law

V.W.KULARATNE ASSOCIATES
ATTORNEYS-AT-LAW & NOTARIES PUBLIC

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BY E-MAIL & COURIER

28th March 2011

Ms. Frederica Jansz
Editor, The Sunday Leader
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24, Katukurunduwatte Road,
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Mr. Lal Wickramatunga
Chairman
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Leader Publications (Pvt) Ltd.,
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Mr. Faraz Shauketaly
Part-Time Journalist
Leader Publications (Pvt) Ltd.,
24, Katukurunduwatte Road,
Ratmalana.

**Interview prominently reported on Page 10 as Spotlight / News in
The Sunday Leader of yesterday, 27th March**

We write as instructed on behalf of our Client, Mr. Nihal Sri Ameresekere FCA, FCMA, CMA, CFE of 167/4, Vipulasena Mawatha, Colombo 10.

On this very subject matter you published prominently a baseless, false and malicious article on or about 5th October 2009 intentionally defaming our Client, regardless of Letters dated on or about 18th September 2009 and 22nd September 2009 sent to you, requiring you to ascertain the facts from our Client's website www.consultants21.com and your own archives. You did not do so or publish any correction either.

Previously you had deliberately published Letters sent on behalf of our Client in a very small non-readable and non-decipherable print, thereby intentionally suppressing the facts from the public, for reasons and/or agendas best known to you.

You have once again published utter falsehoods in the aforementioned Interview prominently reported, as Spotlight / News, for reasons and/or agendas best known to you on this very subject matter, when you know from your own archives/the aforesaid website of our Client that the facts are otherwise.

U.W.F. On or about 28th February 2010, your newspaper published utter falsehoods concerning a Supreme Court Judge, and in the face of having to show cause, as to why you should^{not} be dealt for contempt by the Supreme Court, you admitted to such utter defamatory falsehoods, and as had been directed, and gave an unconditional/unreserved apology to the Supreme Court and the Supreme Court Judge for publishing such false and defamatory report, and published such apology as had been directed. You had been severely reprimanded by the Chief Justice and the other Supreme Court Judges, who had warned you to verify the correctness of what you publish, before publishing. You had given an undertaking to the Supreme Court to do so.

Regardlessly, you have sought to ridicule a reputed President's Counsel of the Supreme Court, who appeared for the UDA, a public agency, to safeguard the interest of public property, *vis-à-vis*, the brilliant strategy he took in Court in a Case, to protect the interests of the State

This is to promptly put you on notice of the foregoing. We shall be writing to you further.

Yours faithfully,

V. W. Kumaraswami Associates