

**IN THE SUPREME COURT OF THE  
DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA**

**In the matter of an Application under Article 126,  
read with Articles 17, 3, 4, Chapters III and VI of  
the Constitution of the Democratic Socialist  
Republic of Sri Lanka**

Nihal Sri Ameresekere  
167/4, Vipulasena Mawatha  
Colombo 10.

**PETITIONER**

**S.C. (FR) No. 404/2009**

**Vs**

1. Ceylon Petroleum Corporation  
109, Rotunda Tower  
Galle Road,  
Colombo 3.

2. Sumith Abeysinghe  
Secretary to the Treasury  
The Secretariat  
Colombo 1.

3. Standard Chartered Bank  
Sri Lanka Branch  
37 York Street,  
Colombo 1.

Head Office at 1 Basinghall Avenue  
London EC2V 5DD, U.K.

4. Citibank  
Sri Lanka Branch  
65C, Dharmapala Mawatha  
Colombo 7.

Head Office at Citigroup Center  
153, East 53<sup>rd</sup> Street, 16/F, Zone 19  
New York, NY 10022, U.S.A.

5. Deutsche Bank AG  
Sri Lanka Branch  
86 Galle Road  
Colombo 3.

Head Office at Theodor-Heuss-Allee 70  
60486, Frankfurt, Germany.

6. Commercial Bank of Ceylon PLC  
Commercial House  
21, Bristol Street  
Colombo 1.
7. People's Bank  
75, Sir Chittampalam  
A. Gardiner Mawatha,  
Colombo 2.
8. Mr. E.A. Hettiarachchi  
Controller of Exchange  
Exchange Control Department  
Central Bank of Sri Lanka  
7<sup>th</sup> Floor, 30 Janadhipathi Mawatha  
Colombo 1
9. Hon. Attorney General  
Attorney General's Department  
Colombo 12.

#### RESPONDENTS

**TO: HIS LORDSHIP THE CHIEF JUSTICE AND THEIR LORDSHIPS & LADYSHIPS THE OTHER HONOURABLE JUDGES OF THE SUPREME COURT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA**

On this 25<sup>th</sup> day of May 2009

The **Petition** of the **Petitioner** above-named, appearing in person, states as follows:

1. The Petitioner is a -
  - a) citizen of the Democratic Socialist Republic of Sri Lanka (hereinafter referred to as the "country")
  - b) Member of the
    - Institute of Chartered Accountants, Sri Lanka,
    - Chartered Institute of Management Accountants, UK.
    - Institute of Certified Management Accountants, Australia
    - Association of Certified Fraud Examiners, USA
    - International Consortium on Governmental Financial Management
    - International Association of Anti-Corruption Authorities
  - c) Consultant exposed to both the private and public sectors
  - d) public interest activist, particularly, *vis-à-vis*, fraud, corruption and combating the pillage and plunder of the resources of the people of the country.
  - e) person who has been concerned about the foreign exchange reserves of the country, the leakages thereof, and the rising levels of foreign debts to be serviced.

*A true photostat copy of the National Identity Card of the Petitioner is annexed marked ("P1"), pleaded as part and parcel hereof.*

2. (a) 1<sup>st</sup> Respondent is a statutory Corporation established by Parliament by the enactment of Act No. 28 of 1961, as amended, (hereinafter referred to as the “**Ceylon Petroleum Corporation Act**”), *inter-alia*, defining its objects, rights, functions and operations.
  - (b) 2<sup>nd</sup> Respondent is the Secretary to the Treasury responsible *inter-alia*, for making payments of the Government of the Republic of Sri Lanka.
  - (c) 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> Respondents are licensed by the Central Bank of Sri Lanka, to operate as Commercial Banks, as Branches in Sri Lanka, of Foreign Banks, with Head Offices, respectively in UK, US and Germany.
  - (d) 6<sup>th</sup> Respondent is a listed public company, coming within the purview of the Companies Act No. 7 of 2007, and licensed by the Central Bank of Sri Lanka to operate as a Commercial Bank.
  - (e) 7<sup>th</sup> Respondent is a Bank established by Parliament by the enactment of Act No. 29 of 1961, as amended, and licensed by the Central Bank of Sri Lanka to operate as a Commercial Bank.
  - (f) 8<sup>th</sup> Respondent is the Controller of Exchange responsible for enforcing the provisions of the Exchange Control Act No. 24 of 1953, as amended.
  - (g) 9<sup>th</sup> Respondent is the Hon. Attorney General and is made a party in terms of Article 134 of the Constitution.
3. (a) The Petitioner, acting in the national and public interest, is presenting this Petition for himself, on his own behalf, and for and on behalf of the People of the country, invoking the jurisdiction of Your Lordships’ Court in terms of the Article 126, read with Articles 17, 3, 4, Chapters III and VI of the Constitution, to prevent grave and irreparable loss, damage and detriment being caused to the People of the country; **the People being the co-owners of the Consolidated Fund**, including the official foreign exchange reserves.
  - (b) It has been upheld and exhaustively dealt with in several Judgments of Your Lordships’ Court **that public property is held in trust on behalf of the People**, and that there could be no violation of the ‘**Doctrine of Public Trust**’.
  - (c) Your Lordships’ Court in SC (FR) Application Nos. 10/07, 11/07, 12/07 and 13/07 *inter-alia* stated :
 

**“The limitation in Article 29 which states that the provisions of Chapter VI are not justiciable would not in my view be a bar against the use of these provisions to interpret other provisions of the Constitution. Article 27 of Chapter VI lays down that the ‘Directive Principles of the State Policy’ contained therein shall guide ‘Parliament, the President and the Cabinet of Ministries in the enactment of ‘laws and the governance of Sri Lanka for establishment of a just and free society’. Hence the restriction added at the end in Article 29 should not detract from the noble aspirations and objectives contained in the Directive Principles of State Policy, lest they become as illusive as a mirage in the desert.”**
  - (d) In terms of Article 28 of the Constitution, the exercise and enjoyment of rights and freedoms is inseparable from the performance of duties and obligations, and accordingly, **it is the duty of every person in Sri Lanka, *inter-alia*, to uphold and defend the Constitution**, further the national interest, and **to preserve and protect public property, and to combat misuse and waste thereof**.
  - (e) Those who hold elected and selected public office, having made oath or affirmation in terms of the Constitution, to enter upon such public office, are bounden to uphold and defend the Constitution, and thereby duly perform the duties and obligations stipulated in Article 28 of the Constitution.

- (f) The transactions put in issue in this action have infringed and continues to infringe the fundamental right to equality before the law guaranteed by Articles 12(1) and 12(2) of the Constitution, and violate the other dictates of the Constitution referred to hereinabove, and if not restrained and nullified, would render such constitutional dictates nugatory.

4. The Petitioner respectfully states that;

- (a) A search on the Internet would disclose large scale '**scams and frauds**', associated with '**Hedging**'.

*A true copy of a search on the Internet in relation to 'Hedging Frauds' is annexed marked ("P2(a)"), pleaded as part and parcel hereof.*

- (b) Also a search on the Internet would disclose large scale '**scams and frauds**' associated with '**Derivative Instruments**'.

*A true copy of a search on the Internet in relation to 'Derivative Frauds' is annexed marked ("P2(b)"), pleaded as part and parcel hereof.*

- (c) For example, the European Parmalat Bankruptcy was caused by **fraudulent 'Derivatives'** of **reputed** U.S. Banks, namely, 'J.P. Morgan' Chase Bank, Bank of America, Citigroup, so also were the **fraudulent scandals of Enron and WorldCom. Those involved have been dealt with under the law, regardless of status and standing, with fines and jail sentences.**

*A true copy of a Report from the Internet is annexed marked ("P2(c)"), pleaded as part and parcel hereof.*

- (d) **Hence, dabbling in 'Hedging through Derivative Instruments', ought to have been with the exercise of utmost caution, and if at all, with requisite specialized international expertise obtained through a due process.**

5. The Petitioner respectfully states that;

- (a) What had been carried out by the transactions put in issue, though *camouflagedly* held out as '**Petroleum Oil Hedging**', in effect has been '**deals**' in the nature of '**speculating**' and/or '**gambling**' and/or '**betting**' and/or '**wagering**' on the **movement of Petroleum Oil Prices**, on '**notional quantities**', through a devious scheme of '**Hedging through Derivative Instruments**', entered into by and between the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondents with the 1<sup>st</sup> Respondent (CPC).

- (b) Such '**deals**' in the nature of '**speculating**' and/or '**gambling**' and/or '**betting**' and/or '**wagering**' is an unlawful and illegal activity in the country.

- (c) **The above had nothing, whatsoever, to do with the actual purchasing of Petroleum Oil by the 1<sup>st</sup> Respondent (CPC), though made out to be so in the public domain !**

- (d) Agreements referred to as "**Oil Hedging Agreements**" entered into by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondents, with the 1<sup>st</sup> Respondent (CPC), i.e. the transactions put in issue in this Application have been '**deals**' in the nature of '**speculating**' and/or '**gambling**' and/or '**betting**' and/or '**wagering**', distinctly remote from the purchasing of Petroleum Oil in a volatile market or otherwise, **and has been completely unrelated and alien to the actual purchasing of Petroleum Oil by the 1<sup>st</sup> Respondent (CPC).**

- (e) Hence, '**linking**' the two in the given facts and circumstances was a **misleading sham and deception**, resulting in the given catastrophic situation, ***materially affecting the foreign exchange reserves of the People of the country.***
- (f) Such '**deals**' in the nature of '**speculating**' and/or '**gambling**' and/or '**betting**' and/or '**wagering**' could for all purposes have been on the "**movement of the price**" of any other commodity, such as gold, sugar, tea or bonds and shares, or foreign currency parity rates, Sri Lanka Cricket Matches *et al* !
- (g) The 1<sup>st</sup> Respondent (CPC), stands debarred from engaging in the above activity, inasmuch as it could not have sent its Chairman and Finance Manager to '**gamble at Casinos**' or '**place bets with bookies**', **with the intention of mitigating losses on purchasing petroleum oil at high prices** *in effect gambling with the valuable official foreign exchange reserves of the People of the country !*

6. The Petitioner respectfully states that ;

- (a) The 1<sup>st</sup> Respondent (CPC) was only authorized and empowered by Parliament to carry out the objects, functions, activities and operations stipulated in the Ceylon Petroleum Corporation Act No. 28 of 1961, more particularly **Sections 5 and 5B** thereof, **which was essentially and solely to deal with petroleum products** – viz

**"5. The general objects of the Corporation shall be-**

- (a) to carry on business as an importer, exporter, seller, supplier or distributor of petroleum;**
- (b) to carry on the business of exploring for, and exploiting, producing, and refining of, petroleum; and**
- (c) to carry on any such other business as may be incidental or conducive to the attainment of the objects referred to in paragraphs (a) and (b)"**

**"5B. (1) On and after the appointed date, the right to import, export, sell, supply or distribute-**

- (a) petrol;**
- (b) kerosene;**
- (c) diesel oil; and**
- (d) furnace oil,**

**shall save as otherwise expressly provided by or under this Act, vest exclusively in the Corporation.**

**(2) On and after the appointed date, no person, other than the Corporation, shall, save as otherwise expressly provided by or under this Act, import, export, sell, supply or distribute-**

- (a) petrol; or**
- (b) kerosene; or**
- (c) diesel oil; or**
- (d) furnace oil.**

**(3) The sale, supply or distribution by any person of any petrol, kerosene, diesel oil or furnace oil shall be deemed not to be-**

- (a) an interference with, or a violation of, the exclusive right vested in the Corporation by subsection (1); or**
- (b) a contravention of the provisions of subsection (2),**

**if, but only if, it is done under the written authority of the Minister or any authorized officer under subsection (4), or of the Board of Directors under section 5E, and in accordance with the terms and conditions subject to which such authority is granted.**

**(4) The Minister or any authorized officer may grant a written authority to any person to import, export, sell, supply, or distribute petroleum of any class or description specified in subsection (1) for the sole purpose only of enabling such person to provide petroleum of that class or description as fuel for marine ships or aircraft."**

- (b) The powers of the 1st Respondent (CPC) are stipulated in Section 6 of the Ceylon Petroleum Corporation Act No. 28 of 1961.
- (c) Hence, '**Hedging through Derivative Instruments**', even if lawful and legal, **which is not conceded**, was not an activity, which the 1st Respondent (CPC) was authorized and empowered to engage and/or dabble in, in terms of the Ceylon Petroleum Corporation Act No. 28 of 1961.
- (d) Hence, in the absence of such statutory power and authority, the 1st Respondent (CPC) could not have in any manner, whatsoever or howsoever, engaged in the transactions put in issue, even if they were lawful and/or legal in the country, **which is not conceded**.
- (e) In any case, the transactions put in issue being '**deals**' in the nature of '**speculating**' and/or '**gambling**' and/or '**betting**' and/or '**wagering**' **are unlawful and/or illegal in this country**.
- (f) That the 1st Respondent (CPC) being a State Corporation established by Parliament, **ought to have sought and obtained the advice of the Hon. Attorney-General, the 9th Respondent**, whereas the Petitioner verily believes, that the 1st Respondent (CPC) had not done so.

7. The Petitioner respectfully states that;

- (a) On the other hand, commercial Banks operate under a License granted by the Central Bank of Sri Lanka.
- (b) Accordingly, commercial Banks are subject to the regulatory directives of and the supervision by the Central Bank of Sri Lanka.
- (c) A commercial Bank is required to have ascertained, as to whether the 1st Respondent (CPC) was authorized and empowered by the Ceylon Petroleum Corporation Act No. 28 of 1961 to have dabbled in transactions being '**deals**' in the nature of '**speculating**' and/or '**gambling**' and/or '**betting**' and/or '**wagering**', whether *camouflaged* under the description of '**Oil Hedging Agreements**', or otherwise.
- (d) A commercial Bank operating in the country ought to have known that such '**deals**' in the nature of '**speculating**' and/or '**gambling**' and/or '**betting**' and/or '**wagering**' **are unlawful and illegal in this country**.
- (e) **The relationship between a commercial Bank and its Customer is of a highly fiduciary nature, where a Customer would act with utmost trust and good faith in a commercial Bank**.
- (f) Therefore, one does not expect a commercial Bank to mislead and/or compromise and/or '**mis-sell**' and/or cheat and/or take undue advantage of and/or defraud a customer, ***whereas a Bank is expected to act to protect and safeguard the very interest of a customer, as a consequence of the fiduciary professional relationship, inasmuch as Medical Professionals could not abuse and/or 'rape' a patient !***

8. (a) The Petitioner verily believes that the following **'Hedging through Derivative Instruments'** had been entered into by the 1<sup>st</sup> Respondent (CPC), with the under-mentioned Banks in 2008.
- (i) 3<sup>rd</sup> Respondent, Standard Chartered Bank on 9.4.2008
  - (ii) 3<sup>rd</sup> Respondent, Standard Chartered Bank on 9.7.2008
  - (iii) 4<sup>th</sup> Respondent, Citibank on 20.6.2008
  - (iv) 4<sup>th</sup> Respondent, Citibank on 22.7.2008
  - (v) 5<sup>th</sup> Respondent, Deutsche Bank on 10.7.2008
  - (vi) 6<sup>th</sup> Respondent, Commercial Bank on 10.7.2008
  - (vii) 7<sup>th</sup> Respondent, People's Bank on 18.8.2008
  - (viii) 7<sup>th</sup> Respondent, People's Bank on 9.10.2008

*True copies of the above **'Hedging through Derivative Instruments'** are annexed respectively marked ("**P3(a)**"), ("**P3(b)**"), ("**P3(c)**"), ("**P3(d)**"), ("**P3(e)**"), ("**P3(f)**"), ("**P3(g)**") and ("**P3(h)**"), pleaded as part and parcel hereof*

- (b) The Petitioner is unaware, as to whether the above are all the **'Hedging through Derivative Instruments'** executed by the 1<sup>st</sup> Respondent (CPC) during the Year 2008, nor is the Petitioner aware of those executed in the Year 2007.
- (c) The Petitioner is aware from the media that the 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> Respondent Banks had made Claims *inter-alia*, under and in terms of the aforesaid and/or other similar **'Hedging through Derivative Instruments'**, from the 1<sup>st</sup> and/or 2<sup>nd</sup> Respondents, more particularly the 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> Respondents, being **Foreign Banks, proffering Claims reported in the media to be paid in the range of US \$ 600 million to US \$ 800 million to be paid eroding valuable official foreign exchange reserves of the People of the country..**
- (d) The aforesaid claims being of national economic proportions, had necessitated even a Sub-Committee of Cabinet Ministers, having endeavoured to examine the veracity and validity of said Claims.
9. Petitioner states that on a perusal of the Instruments marked ("**P3(a)**"), ("**P3(b)**"), ("**P3(c)**"), ("**P3(d)**"), ("**P3(e)**"), ("**P3(f)**"), ("**P3(g)**") and ("**P3(h)**"), the Petitioner verily believes that ;
- (a) It appears that these **'Hedging through Derivative Instruments'** specify a **'notional quantity of oil'**, and **'oil price ranges'**, upon which, **'deals'** in the nature of **'speculating'** and/or **'gambling'** and/or **'betting'** and/or **'wagering'** have been recorded.
- (b) It appears that there is a **'cap'** at the upper-end of the range, referred to as the 'upper collar', and the Banks are obliged to pay the 1<sup>st</sup> Respondent (CPC) above the **'Strike Price'** or **'Put Strike'** / **'Call Strike'**, but **'capped'** or restricted to the **'cap'** and **thus the Banks would pay only such 'capped' or restricted amount .**
- (c) On the other hand, there is no **'cap'** below the price at the bottom-end of the range, referred to as the 'lower collar' or **'floor'** / **'Put Strike'**, whereby 1<sup>st</sup> Respondent's (CPC) payment to the Banks is not reciprocally 'capped' or restricted; *thereby rendering such transactions to be not just and equitable.*
- (d) In addition, where the payments to the 1<sup>st</sup> Respondent (CPC), cumulatively reaches a specified amount, **then the Banks' contractual obligation terminates, thereby the Banks' risk is pre-quantified and/or pre-defined in times of rising prices of petroleum oil.**

- (e) Whereas, on the other hand, where the price level goes below the lower end of the range, i.e. the 'floor' / 'Put Strike', **then there is no such reciprocal termination**, but the contractual obligation on the part of the **1<sup>st</sup> Respondent (CPC) to pay the Banks on 'notional quantities' continues till the end of the tenure of such Instrument**, in these instances as long as **12 Months (1 Year !)**, *thereby rendering such transactions to be not just and equitable.*
- (f) In fact, such obligation on the part of the 1<sup>st</sup> Respondent (CPC) to pay the Bank is in respect of '**double the notional quantity**', in some of the foregoing instances, whereas when price exceeds the '**strike price**', **the Banks' obligation is to pay in relation to only such 'notional quantity'**, that too, only upto amount 'capped' / 'restricted', *thereby rendering such transactions to be not just and equitable !*
- (g) In some of the Cases, the '**floor**' and the '**Call Strike**' / '**Put Strike**' price is identical.
- (h) In the instance of the 6<sup>th</sup> Respondent (Commercial Bank) and the 7<sup>th</sup> Respondent (People's Bank), their Agreements are mysteriously and significantly almost identical in format !
- (i) The foregoing disclose such Instruments to be unfair, inequitable, one sided and unjust, thereby rendering them to be **ab-initio null and void, with no force or avail in law.**
- (j) It appears that on **1.8.2008**, the 1<sup>st</sup> Respondent (CPC) had entered into with the 4<sup>th</sup> Respondent, Citibank, such a '**deal**' in the nature of '**speculating**' and/or '**gambling**' and/or '**betting**' and/or '**wagering**', for a **notional quantity** of 30,000 Barrels per Month for 12 Months at a price of **US \$ 103/85** as Floor Price also called '**Strike 1**' / '**Put Strike**' per Barrel for Dubai Crude Oil, **whilst on the very same day 1.8.2008** the 1<sup>st</sup> Respondent (CPC) had also entered into with the 5<sup>th</sup> Respondent, Deutsche Bank, a similar '**deal**' for a **notional quantity** of 100,000 Barrels per Month for 12 Months at a **different** price of **US \$ 112/50** as Floor Price also called '**Strike 1**' / '**Put Strike**' per Barrel for Dubai Crude Oil !
- (k) Also that individual sheets of these Instruments had not been initialed in some cases, except the last page thereof having been signed by the former Chairman of the 1<sup>st</sup> Respondent (CPC) and the Deputy General Manager (Finance) of the 1<sup>st</sup> Respondent (CPC).
- (l) It appears that the aforesaid Instruments do not bear the 'Official Seal' of the 1<sup>st</sup> Respondent (CPC), as duly authorized to be placed thereon, and signed by persons duly authorized by the Board of Directors of the 1<sup>st</sup> Respondent (CPC), *as would be warranted.* **Section 22 of the Ceylon Petroleum Corporation Act No. 28 of 1961 stipulates that the 'Seal' of the 1<sup>st</sup> Respondent (CPC) shall be affixed to any Instrument in the presence of 2 Directors, both of whom shall sign the Instrument.**
- (m) It is not known, as to whether the aforesaid signatures being placed by the aforesaid persons on behalf of the 1<sup>st</sup> Respondent (CPC), are in conformity with the respective '**mandates**', which would have been given and/or ought to have been given by the 1<sup>st</sup> Respondent (CPC) to the respective Banks, as so approved by the Board of Directors of the 1<sup>st</sup> Respondent (CPC); and which such '**mandates**', **ought to have been obtained by the respective Respondent Banks, being professional Bankers;** and in any case, Section 22 of the Ceylon Petroleum Corporation Act No. 28 of 1961 mandates **2 Directors.**

10. The Petitioner respectfully states that;

- (a) It would appear that 3<sup>rd</sup> Respondent, Standard Chartered Bank had either been the 'lead Bank' or '**initiator**' in **mooting and securing** the said questionable '**deals**'.

*A true copy of a Newspaper Report captioned – “SCB seals '**deal**' on first ever oil hedging option” - Lanka hedges oil at \$ 72 from March for 150,000 barrels' is annexed marked (“P4”), pleaded as part and parcel hereof (Emphasis added)*

- (b) It appears that 3<sup>rd</sup> Respondent, Standard Chartered Bank had induced the 1<sup>st</sup> Respondent (CPC) and its former Chairman, CPC, and those others involved, into unsuspectingly enter into the said questionable ‘deals’, *which conduct is unbecoming and unworthy of a professional Bank.*
- (c) A professional Bank carries a **fiduciary** responsibility not to cheat and/or dupe and/or to get the better of a customer, but on other hand, carries a **fiduciary responsibility** to advise a customer to protect the very interests of the customer.
- (d) A Banker is a **professional** in whom reliance is totally placed by a customer, and **no professional ought to take undue advantage of such implicit trust reposed in a professional.**
- (e) On the other hand, it appears that the 3<sup>rd</sup> Respondent Standard Chartered Bank has **unprofessionally** induced and/or enticed and/or compromised Public Officers to enter into such questionable ‘deals’, in that , from available evidence Air Travel costs of the following Public Officers concerned, appear to have been borne by the 3<sup>rd</sup> Respondent, Standard Chartered Bank, during the relevant period.

The Petitioner very respectfully states that the said Public Officers ought be Noticed by Your Lordships’ Court, to be heard in terms of Article 134 of the Constitution, to assist your Lordships’ Court by adducing relevant facts *personally known to them*, as necessary in the exercise of jurisdiction of Your Lordship’s Court in this Action.

- (i) A De Mel, presumably former Chairman, CPC, accompanied by Rukshan Dias of 3<sup>rd</sup> Respondent Standard Chartered Bank + De Mel x 3, *presumably family.*
- (ii) P.M.L. Karunaratne x 3, presumably former Finance Manager, CPC, and *presumably family.*
- (iii) K. Ariyaratne, presumably of the 7<sup>th</sup> Respondent, People’s Bank, and a Member of the Committee appointed by then Secretary, Ministry of Finance & Planning, which had submitted on 16.11.2006 a report titled “Oil Hedging Report of the Study Group”.
- (iv) Vasantha Kumar, presumably of the 7<sup>th</sup> Respondent, People’s Bank.

*True copies of Invoices dated 9.10.2007(3), 16.10.2007(2), 13.2.2008, 24.9.2008(2) and 29.9.2008(2) of Hemas Travel (Pvt) Ltd. charged to 3<sup>rd</sup> Respondent Standard Chartered Bank in respect of Air Travel Costs of Public Officers concerned are annexed compendiously marked (“P5”), pleaded as part and parcel hereof*

- (f) The Petitioner very respectfully states that the following Officers of the 3<sup>rd</sup> Respondent, Standard Chartered Bank, who had initiated and/or handled some of the foregoing transactions, ought be Noticed by Your Lordships’ Court, to be heard in terms of Article 134 of the Constitution, to assist your Lordships’ Court by adducing relevant facts *personally known to them*, as necessary in the exercise of jurisdiction of Your Lordship’s Court in this Action.

- (i) Clive Haswell, Chief Executive Officer
- (ii) Kimarli Fernando, *former* Head of Corporate Client Relationships
- (iii) Nigel Beebe – Senior Credit Officer
- (v) Rukshan Dias, Head of Global Markets

- (g) 3<sup>rd</sup> Respondent, Standard Chartered Bank’s Officers are governed by ‘**The Group Code of Conduct**’, setting out the ‘**Responsibilities of the Employees**’ of the 3<sup>rd</sup> Respondent, Standard Chartered Bank.

- (h) The Petitioner verily believes that proper investigations by the law enforcement authorities could reveal further relevant informations, *and as to whether or not any of the other Respondent Banks, too had likewise so acted.*
- (i) As per Section 21 of the Ceylon Petroleum Act No. 28 of 1961, the 1<sup>st</sup> Respondent (CPC) is a scheduled institution within the meaning of the Bribery Act.

11. The Petitioner respectfully states that;

- (a) Clearly the foregoing Instruments referred to as “**Oil Hedging Agreements**” dealt with at paragraph 8 hereinbefore are ‘**deals**’ in the nature of ‘**speculating**’ and/or ‘**gambling**’ and/or ‘**betting**’ and/or ‘**wagering**’, and are completely unrelated to the actual purchasing of Petroleum Oil by the 1<sup>st</sup> Respondent (CPC).
- (b) Given the prevalent ‘**scams and frauds**’ in this sector, as morefully referred to at paragraph 4 hereinabove, no caution appears to have been exercised in pursuing such reckless course of ‘**deals**’ in the nature of ‘**speculating**’ and/or ‘**gambling**’ and/or ‘**betting**’ and/or ‘**wagering**’.
- (c) Even if one were to consider to ‘advent’ into such unknown ‘virgin territory’, then international expertise and advice from experienced specialized knowledgeable authorities, ought to have been obtained, after due process.
- (d) The foregoing ‘**Hedging through Derivative Instruments**’, even if lawful and legal, *which is not conceded*, involving high levels of public funds of national economic proportions, **that too, in valuable official foreign exchange reserves of the People and the country**, if at all, ought to have been dealt with by a specialized and expertised financial Agency, with the input of specialized international expertise, that too, only with strict adherence to Public Finance Circulars and Guidelines.
- (e) In any case, the foregoing ‘**deals**’ *camouflagingly* described as ‘**Oil Hedging Agreements**’ in the nature of ‘**speculating**’ and/or ‘**gambling**’ and/or ‘**betting**’ and/or ‘**wagering**’, could not have been undertaken by the 1<sup>st</sup> Respondent (CPC).

12. The Petitioner respectfully states that;

- (a) The foregoing clearly and amply discloses that a schemingly and manipulatively well conceived fraud had been intentionally and knowingly perpetrated on the 1<sup>st</sup> Respondent (CPC), a statutory Corporation, owned by the State, and thus by the People of the country, by inducing and/or compromising Public Officers.
- (b) Hence, the foregoing is a fraud schemingly and manipulatively intentionally perpetrated on the State and the People of the country, causing the people irremediable mischief and irreparable loss and damage, if not appropriately dealt with as warranted, under and in terms of the law.
- (c) Thus and thereby, the foregoing attracts the provisions of the Penal Code, more particularly Chapters X and XI thereof, and the provisions of the Offences Against Public Property Act No. 12 of 1982, warranting investigation by the relevant law enforcement authorities, more particularly the Criminal Investigation Department and the 9<sup>th</sup> Respondent, Hon. Attorney General.
- (d) The disclosures in paragraph 10 hereinabove would attract the provisions of the Bribery Act, warranting investigations by the Commission to Investigate Allegations of Bribery or Corruption.

- (e) The conduct and actions, more particularly of the 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup>, and 7<sup>th</sup> Respondent Banks and its Officers, would be subject to the provisions of the United Nations Convention Against Corruption, which entered into force on 14.12.2005 dealing with bribery, fraud and corruption, both in the public and private sectors.
  - (f) The 4<sup>th</sup> Respondent being a Bank in the United States of America is subject to the provisions of the Foreign Corrupt Practices Act of the US.
  - (g) The foregoing conduct and actions of the 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup> Respondent Banks ought be reckoned in the context of the provisions of the Banking Act & Regulations made thereunder, the Exchange Control Act & Regulations made thereunder, and the Central Bank's Mandatory Code of Corporate Governance for Banks.
  - (h) In the context of the media reports that the Central Bank had intimated to the 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> Respondent Banks, that the Claims made under the transactions put in issue ought not be paid by the 1<sup>st</sup> Respondent (CPC), since the said transactions are 'significantly tainted', the Regulations for Banks by the Central Bank, would mandate the 'provisioning for bad and doubtful debts' by the respective Banks; the Petitioner verily believes, that the 6<sup>th</sup> Respondent, Commercial Bank has already made such provisions, in its financial accounts.
  - (i) The foregoing could also have an impact on the 'capital adequacy ratio' and/or the 'minimum capital' requirements, mandating the inflow of funds, both foreign and local, to ensure adherence to such mandates, as per the Central Bank directions.
  - (j) The 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks could not have entered into 'Back to Back Agreements' with foreign parties, and/or remitted foreign exchange in that behalf, without the approval of the Controller of Exchange, **and had they done so, they stand liable to be fined by the 8<sup>th</sup> Respondent Controller of Exchange, under the Exchange Control Act, and the Regulations made thereunder.**
  - (k) He verily believes that, ***notwithstanding and regardless of, specific directions in regard to the aforesaid, given in or about December 2008 by the Monetary Board, Central Bank of Sri Lanka, the 3<sup>rd</sup> Respondent Standard Chartered Bank has remitted in valuable foreign exchange a sum exceeding US \$ 100 Mn. between December 2008 and April 2009, and is endeavouring to remit a further sum exceeding US \$ 20 Mn. immediately,*** on such 'Back to Back Agreements' entered into with foreign party / ies.
13. (a) The Petitioner, in September 1990, instituted a derivative action in law, and Your Lordships' Court in the Judgment delivered in December 1992 in SC Appeal Nos. 33/92 & 34/92 – [(1993) 1 SLR 22 / (1992) CLR Commercial 636], upheld the interim injunctions issued by the District Court, restraining two reputed Japanese multinationals from demanding and obtaining monies, **under Government Guarantees, in fraudulent circumstances, even though it was stated that the said Government Guarantees had been discounted with the Exim Bank of Japan; observing that such interim injunctions had been issued to prevent the devious siphoning of a large scale of foreign exchange from the country.**
- (b) The District Court Order, upheld by Your Lordships' Court, *inter-alia*, pointedly observed, that the Director-Defendants of this majority owned and controlled Company of the Government, had intervened to obtain monies, without readily acting to have conducted a correct examination as warranted, and having prevented such correct examination, **exercising the influence they had gained in society**, were attempting to somehow effect payments, **which would be an instance of acting in fraudulent collusion.** Such undue influence exercised, as per evidence adduced, was particularly by K.N. Choksy, PC, MP, who obstructed such correct examination and endeavoured to make the full payment of monies to the Japanese multinationals, *notwithstanding the Petitioner's objections*, which led to the said Action by the Petitioner.

*True copies of Letters dated 28.2.1990 of K.N. Choksy P.C., M.P., attaching thereto his Letter dated 8.8.1988, and the Petitioner's Memorandum dated 13.12.1989 are annexed respectively marked ("P6(a)", ("P6(b)") and ("P6(c)"), pleaded as part and parcel hereof.*

- (c) After the District Court had issued Enjoining Orders restraining any payments to the Japanese multinationals, on Petitioner's representations to the late Minister of State for Defence, Ranjan Wijeratne, he having placed this matter before the Cabinet of Ministers, the late President R. Premadasa, caused his Secretary to send a Letter to the Secretary to the Treasury, **directing warranted action to be taken.**

*True copies of 2 Letters dated 15.11.1990 of late State Minister for Defence, Ranjan Wijeratne, addressed to the Petitioner and late President R. Premadasa and Letter dated 17.12.1990 by the Secretary to the late President R. Premadasa addressed to the then Secretary to the Treasury, are annexed respectively marked ("P7(a)", ("P7(b)") and ("P7(c)"), pleaded as part and parcel hereof.*

- (d) **Disregarding the foregoing** endeavours were made to somehow make the payments of monies to the Japanese multinationals, with K.N. Choksy P.C., M.P., 7<sup>th</sup> Defendant in the said Action, among others, after having abstained and/or evaded from participating in the District Court proceedings, thereafter wrongfully intervened in the Court of Appeal, in the Leave to Appeal Applications made by the Japanese multinationals, urging that the Petitioner had no right to institute such an Action in his own country, and based on such premise the Court of Appeal granted Leave. This resulted in the Petitioner being compelled to proceed to Your Lordships' Court to obtain Judgment to prevent the said payments of monies being made, **that too in valuable foreign exchange.**

*True copies of certified copies of Court of Appeal Order dated 17.1.1992 and 31.1.1992 are annexed respectively marked ("P8(a)") and ("P8(b)"), pleaded as part and parcel hereof*

- (e) The Petitioner instituted the aforesaid Action, **in circumstances of the official foreign exchange reserves of the country being very low during 1989, and stood only at US \$ 291.4 million as at end December 1989**, whilst the Japanese multinationals shortly thereafter in **March 1990 had notified the Government of default of the said Government Guarantees, amounting at that time to around US \$ 160 million, notwithstanding that demands of such monies were being made on a fraudulent transaction.**

*True copies of Table 4 of Central Bank Report 2008, inter-alia, giving the country's official foreign exchange reserves as at December 1989, and/ Letters dated 1.3.1990 from the Japanese multinationals are annexed respectively marked ("P9") and ("P10(a)", ("P10(b)", ("P10(c)") and ("P10(d)"), pleaded as part and parcel hereof.*

- (f) The then World Bank Representative in Sri Lanka *had cautioned the Petitioner*, that the foregoing was an **imminent threat of precipitation of an 'international cross-default' on the country's foreign borrowings**, which such situation was averted by the Petitioner obtaining Enjoining Orders in the said Action in September 1990; and which were faxed to the then Secretary and Deputy Secretary to the Treasury C/o the then Sri Lanka IMF Director's Office in Washington, in the context of the negotiations, which were taking place at that very time with the IMF and World Bank., copies of the Plaint having been forwarded, prior to departure to the IMF / World Bank in Washington.

*True copies of the Enjoining Orders faxed to the then Sri Lanka IMF Director's Office in Washington are annexed marked ("P11"), pleaded as part and parcel hereof*

- (g) Consequently, after the Judgment of Your Lordships' Court in December 1992, as a result of Petitioner's endeavours, an equivalent of US \$ 207 million was written-off in June 1995 on the **demands for monies made by the Japanese multinationals in fraudulent circumstances on Government Guarantees**, which said write-off at 6% p.a. interest would be equivalent today to US \$ 468 million, *which is comparable to the potential claims in foreign exchange in the transactions put in issue in this Action.*
- (h) The then Hon. Attorney General, *inter-alia*, determined that even the Securities & Exchange Commission **had not taken action as warranted**, *renegeing on their statutory duties, responsibilities and obligations*; notwithstanding the legitimate Complaints made on the foregoing by the Petitioner; then SEC Members, *among others*, included Minister G.L. Peiris and Governor Central Bank, Nivard Cabraal, as then President, Institute of Chartered Accountants, *both of whom thereafter endeavoured to protect those wrong-doers and/or fraudsters .*

14. The Petitioner very respectfully states that;

- (a) **The foregoing has been pleaded to demonstrate prevalent socio-political realities**, and that the Petitioner gravely apprehends that in like manner, ***influential and/or interested parties***, would endeavour to somehow cause payments to be made under the transactions put in issue in this Action.
- (b) **Therefore, Your Lordships' Court be pleased to intervene and restrain by Interim Orders any payments, whatsoever, being made by the 1<sup>st</sup> and/or 2<sup>nd</sup> Respondents, and/or any Claims, whatsoever, for payment being made and/or demanded by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondents Banks from the 1<sup>st</sup> and/or 2<sup>nd</sup> Respondents, under and in terms of the transactions put in issue.**
- (c) Your Lordships' Court be also pleased to declare that the transactions put in issue are *ultra-vires* and/or wrongful and/or unlawful and/or illegal and/or fraudulent, and therefore *ab-intio* null and void and of no force or avail in law.
- (d) Your Lordships' Court be pleased to declare that no right or entitlement, whatsoever, would flow to parties under and in terms of the Agreements in respect of the transactions put in issue, under and in such circumstances of the said Agreements being *ultra-vires* and/or wrongful and/or unlawful and/or illegal and/or fraudulent.
- (e) **Unless the Interim Orders prayed for are granted restraining and/or preventing the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks from claiming and/or demanding monies under the 'Oil Hedging Agreements' from the 1<sup>st</sup> and/or 2<sup>nd</sup> Respondents, until the hearing and final determination of this Application, grave irremediable mischief and irreparable loss and damage would be caused to the Petitioner, and the People of the country.**
- (f) **Such aforesaid Claims by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> Respondent Banks, reported in the media to be in the range of US \$ 600 to 800 million have precipitated Contingent Liabilities, which would be a serious and material impediment, for the Government of the Republic of Sri Lanka to negotiate urgently required borrowings from the IMF and/or the World Bank and/or other International Agencies and/or Financial Institutions,**
- (g) ***Such borrowings are critically needed at this given moment, in the present predicament of the country and the People, to re-schedule debt and finance the immediate rehabilitation of the People and the country, and make investments for urgent development.***

- (h) **In such circumstances, the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> Respondent Banks, who have claimed, reported in the media to be in the range of US \$ 600 to 800 million, under the impugned 'Oil Hedging Agreements', could leverage to influence and/or pressurize the aforesaid International Agencies and/or Financial Institutions, thereby unduly stymieing and stultifying the endeavours of the Government of the Republic of Sri Lanka, causing irremediable and irreparable damage and jeopardy to the Petitioner, and the People of the country.**
- (i) **It being reported in the international media, that the respective Governments of the Countries of domain of the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> Respondent Banks, have made available large 'financial packages', to bail out their respective banking and financial institutions of the said respective Countries, the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> Respondent Banks could seek funds from such bailing out packages made available by their respective Governments, for any losses incurred due to their debacle in Sri Lanka, in dabbling in 'deals' in the nature of 'speculating' and/or 'gambling' and/or 'betting' and/or 'wagering'; the phenomena of the present global financial crisis !**
15. (a) The Petitioner respectfully states that the fundamental right to equality before law, guaranteed under Articles 12(1) and 12(2), read with Articles 17, 3 and 4 and Chapters III and VI of the Constitution have been infringed, and continue to be infringed, causing irreparable loss and damage and irremediable mischief to the Petitioner and the People of the country.
- (b) In the given circumstances, a cause of action has arisen to the Petitioner, to invoke the Jurisdiction of Your Lordships' Court, for the exercise of the judicial power of the People, and for remedial action to be taken, to protect national and public interest, in conformity with the dictates of the Constitution, and to seek the reliefs prayed for herein.
- (c) The Petitioner respectfully states that the Petitioner filed Intervening Petitions in SC (FR) Applications Nos. 535/2008 and 536/2008, and the Petitioner misdirecting himself having not been present in Your Lordships' Court on 13.1.2009, the Petitioner's Intervening Applications were not considered and the Petitioner was not added as a Interventient-Respondent, unlike another Intervening Petitioner, Vasudeva Nanayakkara, whose Application had been allowed by Your Lordships' Court, upon having heard his Counsel, and he had been added as the 9<sup>th</sup> Respondent in SC (FR) Application No. 535/2008.
- A true copies of certified copy of the proceedings of 13.1.2009 and Motion dated 15.1.2009 are annexed respectively marked ("P12(a)") and ("P12(b)"), pleaded as part and parcel hereof*
- (d) Therefore, the Petitioner very respectfully states that the Petitioner had not been an Added-Party in the above Applications, which had been terminated on the Applications made by the respective Petitioners.
- (e) Except the 1<sup>st</sup> and 2<sup>nd</sup> Respondents and the 9<sup>th</sup> Respondent, Hon. Attorney General, who has been made a party in terms of Article 134 of the Constitution, all other Respondents above-named were not Respondents in the aforesaid SC(FR) Applications Nos. 535/2008 and 536/2008, whereas, the Petitioner's Intervening Application in SC(FR) No. 535/2008 was to have added the 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> Respondent Banks, being direct parties to the transactions put in issue, as necessary parties.
16. (a) The Petitioner has received some of the documents annexed to the Petition, and verily believes them to be true, and has no reason to suspect the genuineness thereof, and relies on the 9<sup>th</sup> Respondent, Hon. Attorney General, to verify the genuineness thereof.
- (b) The Petitioner respectfully reserves the right to seek to adduce, with the permission of Your Lordships' Court, further documents and facts pertaining to this matter of national and public importance, should the necessity arises and/or to seek to add any other necessary party, with the permission of Your Lordships' Court.

- (c) Significantly, the 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> Respondent Banks, being principal parties to the transactions put in issue, had not been made parties in either of the aforesaid SC (FR) Applications Nos. 535/2008 and 536/2008, whereas the Petitioner in his Intervening Petition in SC (FR) Application No. 535/2008 had prayed that the said Respondent Banks be added as necessary parties.
- (d) The Petitioner very respectfully states, that he reserves the right to sue those, who had been directly involved in directing the transactions in issue to be carried out, and those who had carried out the transactions in issue, for the recovery by the State of losses and damages, if any, caused to the People of the country.

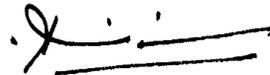
17. The Affidavit of the Petitioner is annexed in support of the averments contained herein

**WHEREFORE** the Petitioner respectfully prays that Your Lordships' Court pleased to :

- (a) grant Leave to Proceed with this Application in the first instance,
- (b) make Order to issue Notice of this Application on the Respondents,
- (c) make Order to issue Notice on the following Officers of the 3<sup>rd</sup> Respondent Bank, to provide information within their personal knowledge, in relation to the Agreements referred to as 'Oil Hedging Agreements' entered into by the 3<sup>rd</sup> Respondent Bank, with the 1<sup>st</sup> Respondent (CPC), as referred to at paragraph 10(f) of the Petition, and also on the following persons, who have been involved in the 'Oil Hedging Agreements' and whose Air Travel Costs had been paid for by the 3<sup>rd</sup> Respondent Bank, as per paragraph 10(e) of the Petition,
  - (i) Clive Haswell, Chief Executive Officer, of the 3<sup>rd</sup> Respondent Bank
  - (ii) Kimarli Fernando, *former* Head of Corporate Client Relationships, of the 3<sup>rd</sup> Respondent Bank
  - (iii) Nigel Beebe – Senior Credit Officer, of the 3<sup>rd</sup> Respondent Bank
  - (iv) Rukshan Dias, Head of Global Markets, of the 3<sup>rd</sup> Respondent Bank
  - (v) A. De Mel, *former* Chairman, CPC
  - (vi) P.M.L. Karunarathne *former* Finance Manager, CPC,
  - (vii) K. Ariyaratne, of the 7<sup>th</sup> Respondent, People's Bank / Member, Committee on 'Oil Hedging'.
  - (viii) Vasantha Kumar, of the 7<sup>th</sup> Respondent, People's Bank.
- (d) make Order declaring that the fundamental rights guaranteed under Article 12(1) and 12(2) of the Constitution of the Petitioner, and the People of the Republic of Sri Lanka, have been infringed and are continuing to be infringed, also in violation of other dictates of the Constitution,
- (e) make an Interim Order restraining and/or preventing the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks, by themselves or by their officers, representatives, servants or agents or anyone whomsoever, holding under them, or otherwise howsoever, from making any claims and/or demands, directly and/or indirectly, from the 1<sup>st</sup> Respondent (CPC) and/or the 2<sup>nd</sup> Respondent, representing the Government of the Republic of Sri Lanka and / or from the Government of the Republic of Sri Lanka, for payment of any monies, whatsoever, under and in terms of the Agreements referred to as "Oil Hedging Agreements" entered into by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks, with the 1<sup>st</sup> Respondent (CPC), and/or from exerting and/or causing the exertion of, any pressures and/or influences, directly and/or indirectly, on the Government of Sri Lanka and/or its officers and/or representatives, and/or from making any payments, whatsoever, to any foreign parties and/or local parties, on 'Back to Back Agreements' or otherwise, in respect of the Agreements referred to as "Oil Hedging Agreements", until the final determination of this Application,

- (f) make an Interim Order restraining the 1<sup>st</sup> Respondent (CPC) and/or 2<sup>nd</sup> Respondent representing the Government of the Republic of Sri Lanka from making any payments, whatsoever, on any claims and/or demands made, directly and/or indirectly, by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks, by themselves, or by their officers, representatives, servants or agents or anyone whomsoever, holding under them, or otherwise howsoever, under and in terms of the Agreements referred to as “Oil Hedging Agreements” entered into by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks, with the 1<sup>st</sup> Respondent (CPC), until the final determination of this Application,
- (g) make Order declaring that the Agreements referred to as “Oil Hedging Agreements” entered into by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks, with the 1<sup>st</sup> Respondent (CPC), are *ultra-vires* the Ceylon Petroleum Corporation Act No. 28 of 1961, as amended, and *ab-intio* null and void and of no force or avail in law,
- (h) make Order that the Agreements referred to as “Oil Hedging Agreements” entered into by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks, with the 1<sup>st</sup> Respondent (CPC), and are not just and equitable and *ab-intio* null and void and of no force or avail in law,
- (i) make Order declaring that Agreements referred to as “Oil Hedging Agreements” entered into by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks, with the 1<sup>st</sup> Respondent (CPC), are wrongful and/or unlawful and/or illegal and/or fraudulent and *ab-intio* null and void and of no force or avail in law,
- (j) make Order declaring that no right or entitlement, whatsoever, would flow to parties under and in terms of the Agreements referred to as the “Oil Hedging Agreements” entered into by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks, with the 1<sup>st</sup> Respondent (CPC), the said Agreements being *ultra-vires* and/or not just and equitable and/or wrongful and/or unlawful and/or illegal and/or fraudulent, and *ab-intio* null and void and of no force or avail in law,
- (k) make Order canceling, annulling and making void the Agreements referred to as the “Oil Hedging Agreements” entered into by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks, with the 1<sup>st</sup> Respondent (CPC) ,
- (l) make Order declaring that the conduct and actions of the 1<sup>st</sup> Respondent (CPC) and/or 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks and/or their Officers have caused grave loss and damage to the Petitioner and to the Government and the People of Republic of Sri Lanka, conferring unjust and/or unlawful benefit to one or more of the said Respondents and/or their Officers, and those under whose purview, and/or instigations and/or behest and/or directions the said Respondents had acted,
- (m) make an Interim Order directing the 8<sup>th</sup> Respondent, Controller of Exchange, to investigate all the Agreements referred to as the “Oil Hedging Agreements” entered into by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks, with the 1<sup>st</sup> Respondent (CPC), and to take warranted action against those persons concerned, for any violation of the provisions of the Exchange Control Act, in terms of the said Act, and submit a report to Your Lordships’ Court,
- (n) make an Interim Order directing the Director Bank Supervision, Central Bank of Sri Lanka, to investigate all the Agreements referred to as the “Oil Hedging Agreements” entered into by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks, with the 1<sup>st</sup> Respondent (CPC), and to enforce the lawful regulatory directions applicable to the said Respondent Banks, *inter-alia*, in relation to provisioning for non-performing debts, capital adequacy ratios, and minimum capital stipulations, etc, and submit a report to Your Lordships’ Court.

- (o) make an Interim Order directing the Chairman, Commission to Investigate Allegations of Bribery or Corruption to investigate the conduct and actions of the all those persons involved in connection with the Agreements referred to as “Oil Hedging Agreements” entered into by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks, with the 1<sup>st</sup> Respondent (CPC), and to take warranted action in terms of the Bribery Act, as amended, against all those persons, who are found to have committed any offences thereunder,
- (p) make an Interim Order directing the Director, Criminal Investigation Department to take into safe custody and possession from the 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> Respondent Banks and the 1<sup>st</sup> Respondent (CPC), all and whatsoever records and documents, electronic and otherwise, pertaining to all the Agreements referred to as the “Oil Hedging Agreements” entered into by the said Respondent Banks, with the 1<sup>st</sup> Respondent (CPC), and in respect of all matters relevant and incidental thereto, permitting the said Respondent Banks and the 1<sup>st</sup> Respondent (CPC) to keep copies thereof for their purposes, and to make available, where required, authenticated copies of the said documents to the Controller of Exchange, Director Bank Supervision, Central Bank, and the Commission to Investigate Allegations of Bribery or Corruption, to facilitate their, respective investigations,
- (q) make an Interim Order directing the 9<sup>th</sup> Respondent, Hon. Attorney General and relevant law enforcement authorities, particularly the Director, Criminal Investigation Department to carry out full and proper investigations into all aspects pertaining to the Agreements referred to as the “Oil Hedging Agreements” entered into by the 3<sup>rd</sup> and/or 4<sup>th</sup> and/or 5<sup>th</sup> and/or 6<sup>th</sup> and/or 7<sup>th</sup> Respondent Banks, with the 1<sup>st</sup> Respondent (CPC), and to cause warranted action to be taken in terms of the applicable law against all those persons found to have committed any offences and/or aided and abetted therewith, particularly under the provisions of the Penal Code and the provisions of Offences Against Public Property Act No. 12 of 1982,
- (r) grant costs, and
- (s) grant such other and further relief as to Your Lordships’ Court shall seem meet .



Petitioner