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REGISTERED POST

Mr. K.N. Choksy P.C., M.P.  
Minister of Finance  
Ministry of Finance,  
The Secretariat,  
Colombo 1.

23<sup>rd</sup> August 2002

Dear Sir,

We write on the instructions of our Client, Mr. Nihal Sri Ameresekere, F.C.A., F.C.M.A., with reference to your Letter dated 2.8.2002 in reply to our Letter dated 25.7.2002.

Our Client states that your statement that you had previously *unequivocally repudiated* the contents of our said Letter is a blatant falsehood in the very teeth of the repeated urgings to you, to specifically deny, if you could, the said several contents. You had dismally failed to do so, *because you were unable to do so*. We quote below, the following 2 paragraphs of our said Letter dated 25.7.2002 addressed to you:

"We draw your attention to the correspondence exchanged previously. We reiterate the facts stated in our said letters addressed to you, which said facts you had failed to specifically controvert and/or dispute and/or refute and/or deny, *notwithstanding the exhortation made to so controvert, if you could*.

As finally stated to you, you having deliberately evaded and avoided to specifically deal with and/or dispute and/or refute and/or deny in any manner, whatsoever or howsoever, the veracity of the several facts, set out quite lucidly in our said letters addressed to you, *the said facts stood and stand undisputedly confirmed and admitted.*" [Emphasis added]

Our said Letter dated 25.7.2002 had set out lucidly the said several facts and was by no means *prolix*, as you had so purported, with the deliberate intent of avoiding and evading the said several facts, which we are instructed to reiterate.

We draw your attention particularly to the paragraphs on page 4 of our said Letter, more particularly to your letter dated 28.2.1990, certifying, *inter-alia*, that the Hotel construction work was in conformity with all the stipulations of the contract and that the Hotel owning Company will be justified in making the full payments to the Foreign Contractors, whereas even a Chartered Architect or Engineer could not have so certified in the absence of the Final Measurements and Bills of Quantities. Your such certification, as evidenced by your said Letter, had been given in the very teeth of the objections of our Client to making any such payments, in such given circumstances, as per our Client's Memo dated 13.12.1989 forwarded to you, among other Directors of the Company. Copies of your said Letter and our Client's said Memo are annexed hereto.

We quote below paragraph 2 of page 4 of our said Letter dated 25.7.2002

"Regardless of the aforesaid conduct and actions on your part, our Client's sustained efforts and actions saved the Government and the public of this country Rs. 10,200 million and the re-scheduling of the balance claims over a further 15-year period at a reduced rate of interest; whereas, in terms of your said Letter dated 28.2.1990, if not for our Client's such efforts, amidst undue pressures and obstructions, the Government and the country would have lost such colossal sum of money to the detriment of the Government and the public." [Emphasis added]

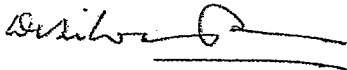
Our Client's challenge to you is to prove the veracity of the aforesaid certification given by you in your said Letter dated 28.2.1990, that the Hotel construction was in conformity with all stipulations of the contract, which included the Architectural Plans. Quite obviously, being unable to do so, you, with the deliberate intent of avoiding and evading the same, have cowardly stated, *that any further correspondence will not be entertained.*

Our Client considers that In the given circumstances, it is not for you to decide, as to whether you should face an inquiry or not, *which you clearly fear and therefore are endeavouring to evade;* but it is for the Prime Minister and/or the President and/or the law enforcement authorities in the country to so decide, moreso particularly, *in the given circumstances of irrefutable evidence of criminality that has now surfaced.*

We reiterate the contents of the final paragraph of our said Letter dated 25.7.2002, and our Client asserts that you ought to resign forthwith from being the Minister of Finance of this country, inasmuch as the Air Force Commander, at the behest of the Prime Minister, had done so, for an act of much lesser gravity.

Our Client categorically asserts, that the given facts and circumstances, demand and warrant your immediate resignation forthwith, as the Minister of Finance of this country.

Yours faithfully,



Attorneys-at-Law

cc: Prime Minister, Ranil Wickremesinghe,  
President Chandrika Bandaranaike Kumaratunga

Minister Karu Jayasuriya, Chairman, *Cabinet Sub-Committee on Best Practices in Corporate Governance for State Owned Enterprises*