

**BY COURIER**

31<sup>st</sup> August 2007

Mr. Ranil Wickremesinghe, M.P.,  
Leader of the Opposition & Leader, UNP,  
115, 5th Lane,  
Colombo 3.

Dear Leader of the Opposition / Leader, UNP,

**US \$ 500 Million Bond Issue by the Government**

I write with reference to the apprehensions you have publicly articulated on the undesirability of the Government to borrow such a large amount of US \$ 500 million, as foreign commercial loan.

As to whether such foreign commercial borrowing, initially speculated for a 5-year tenure, now for a 10-year tenure, is to be invested in economic infrastructure, as held out, which generally would have 'pay-back' periods varying between 20 to 40 years, and not 10-years, or whether such borrowing is to re-pay foreign debts deferred to be payable during 2007, consequent to the 'moratorium' for the 2-years 2005 and 2006, afforded after the devastating Tsunami of December 2004, no doubt, are very pertinent issues.

Your concerns and apprehensions have been publicly pronounced, giving 'leadership' to raise a 'public outcry', even addressing a Letter dated 24.8.2007 to J.P. Morgan Chase, USA, the speculated issuer of the Government Bond for US \$ 500 million.

What shockingly amazes me, is that you chose, for reasons best known to you, not to so act, when I, as a citizen, was compelled to institute a public interest litigation, to prevent a 'large scale of foreign funds' from being 'deviously siphoned out of the country', under Government Guarantees, which the Supreme Court, upholding my action, prevented. Your party's influential and high profile Mr. K.N. Choksy P.C., M.P., a Defendant in my action, endeavoured to have such payment somehow made, not only giving writings in that regard, but also even futilely attempting to have my public interest litigation dismissed, asserting in Court, as a Defendant, that as a citizen of this country, I had no right to bring such an action, to prevent such payment.

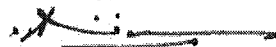
Though the alleged claims, regardless of my objections as a professional Accountant, were endorsed, as claimed, by Mr. K.N. Choksy P.C., M.P., my sustained actions, amidst obstructions and pressures, achieved for the Government in June 1995 a write-off amounting to Jap. Yen 17,586 million, then equivalent to US \$ 207 million. At an average of 6% p.a. interest this amounts to a value of US \$ 417 million today, whilst in terms of the depreciating exchange rate, this would tantamount to US \$ 477 Million today. The Central Bank will confirm, that at the time I instituted litigation, the country's foreign reserves were in a perilous state, *which you too concurred with!*

Notwithstanding representations then made to you, not only did you choose to turn a 'blind eye' to the foregoing, well known in the public domain, but you regardlessly; also went on to subsequently startlingly install Mr. K.N. Choksy P.C., M.P., as the Finance Minister of this country!

As a consequence, he presented an 'all encompassing' perverse 'Tax Amnesty' of 2003 to Parliament, under the 'guise' of the Inland Revenue (Special Provisions) Act No. 10 of 2003, with questionable amendments effected at the Committee Stage, denying any opportunity, whatsoever, for the public of this country to have been educated on such perverse Act, or to have challenged the provisions thereof! The Supreme Court on a Reference, held the same, not only to be violative of the Constitution, but sadly indicted the same, as '*having defrauded public revenue causing extensive loss to the state*'! Were you also not a party to this?

In comparison to your current public stance and actions in relation to a proposed commercial borrowing of US \$ 500 million by the Government, how is it that, you chose to be silent and not take any action, whatsoever, on the foregoing, *one of which is comparable and the other far worse*, but acted otherwise?

Yours truly,



Nihal Sri Ameresekere

cc: Minister Karu Jayasuriya, M.P. / then Deputy Leader, UNP – *Did you not also act in concert?*