
SIMEZA SANGWA

& ASSOCIATES ADVOCATES

24rd May 2014

The Editor-In-Chief
The Zambia Weekly
LUSAKA

Dear Sirs

Defamation of Dr Rajan Mahtani in the *Zambia Weekly* Issue of 23rd May 2014

We have been instructed by Dr Rajan Mahtani in connection with an article headed "*Did Mahtani Forge Signatures*" published in your issue of 23rd May 2014. As the article states, Dr Mahtani is associated with Finsbury Investments Limited and is the Chairman of Finance Bank Zambia Limited, a financial service provider. He is therefore well-known within the business and banking circles both in Zambia and internationally.

The article which you published levels a number of serious defamatory charges against our client. It alleges that Dr Mahtani forged the share transfer forms and presented the same before the Supreme Court and that the judgment of the Supreme Court, in favour Finsbury Investments Limited and Dr Mahtani, delivered in November 2013, was based on share transfer forms, which have turned out to have been forged.

Furthermore, the statement: "*He has a string of cases about the control of companies behind him including Zambezi Portland Cement, Radisson Blu Hotel and Lusaka Premier Health Clinic....*" is widely understood as alleging that he has interest in these and other companies, which he fraudulently acquired.

The conclusion of this article is that our client is a fraudster who has acquired interest in various companies through fraudulent means.

These allegations are totally false. The Supreme Court judgment delivered in November 2013, was not about Finsbury Investments Limited taking over control of ZPC, but about, among other issues, whether the injunction granted to Mr and Mrs Antonio Ventriglia against the PTA Bank and the Receiver by Supreme Court in April 2010, could still subsist following the discharge of the Receiver and Manager of ZPC by the PTA Bank in April 2013.

The interest of Finsbury Investments Limited in ZPC, is not founded on the share transfer forms but on the shareholders' agreement dated 26th February 2007, made

between Finsbury Investments Limited as the "Primary Shareholder" on the one hand and Antonio Ventriglia, Manuela Ventriglia and their sons namely, Daniele Ventriglia and Valerio Ventriglia collectively described as the "Secondary Shareholder" on the other.

Furthermore, the question whether the share transfer forms were forged and by whom are matters that are subject of possible determination by Mr Justice Chashi in Cause No. 2008/HPC/366, in which Finsbury Investments Limited is the defendant to the counterclaim and Mr Antonio Ventriglia and Manuela Ventriglia are the plaintiffs to the counterclaim.

As for Hotellier Limited, all the funds being claimed by Finance Bank Zambia Limited were drawn on instructions issued by the authorised signatories to the accounts, (our client was not one of them) who knew or ought to have known that, in line with normal banking practice, unless repaid the funds were to accrue and continue to accrue interest.

Lusaka Premier Health Clinic was never a joint venture between Industrial Development Corporation (IDC) and Finsbury Investments Limited, as alleged but a project which was funded by IDC and Lusaka Premier Health Clinic Limited, a company in which Finsbury Investments Limited is a major shareholder.

As you can imagine the publication of the article has caused immense damage to our client's reputation and considerable distress to him and his family. He has also been subjected to abuse in public.

Furthermore, the sensational nature of your article on the internet led to the defamatory allegations being widely read, which you must have foreseen would be the consequence of such an attack on a person of our client's standing.

The injury suffered by our client has been aggravated by your disgraceful conduct which falls way below the standards that should be expected from an internet publication with such a wide reach. For instance, we find it shocking that notwithstanding the seriousness of the allegations you have made, no attempt was made to contact our client for his side of the story before publication.

Furthermore, all the allegations and conclusions made in your publication touch on matters that are yet to be decided by the High Court, hence *sub-judice*. Your article prejudices our client in favour of the other parties to the legal proceedings, which is a crime as stipulated in section 116(1) (d) of the Penal Code, Chapter 87 of the Laws of Zambia.

Furthermore, it is evident that you have never read the judgment of the Supreme Court, to understand the issues, which prompted the Court to review and set aside its own earlier decision and the reasoning given.

Our client will ask the Court to find that you and the *Zambia Weekly* published the article with complete indifference to the truth in your unappeasable drive for increased readership and that a substantial sum in exemplary damages should be awarded in order to deter you from behaving in a similar manner in the future.

Our client, therefore, demands your proposals on:

1. An unqualified withdrawal of the allegations referred to above and a proper apology to our client in terms to be approved by us.
2. An undertaking by you not to repeat the allegations or similar allegations.
3. The payment of a sum in damages to our client to demonstrate the lack of foundation of the allegations and compensate our client for the injury to his reputation, financial loss and considerable distress that has been caused.
4. The payment of our client's legal costs.

If you are prepared to withdraw promptly (in any case not more than 48 hours from the time of receipt of this letter) the allegations and apologise, our client acknowledges that this will mitigate the damages to which he is entitled. If, however, you force him to go through a long and drawn out libel action in order to clear his name he will seek an award of very substantial damages from the Court.

We look forward to hearing from you.

Yours faithfully


Simeza, Sangwa & Associates

Cc: Dr Rajan Mahtani