

KENYA ANTI-CORRUPTION COMMISSION

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When replying please quote:

PRESS STATEMENT

THE DISPOSAL OF THE GRAND REGENCY HOTEL

Pursuant to its mandate under the Anti-Corruption & Economic Crimes Act, the Kenya Anti-Corruption Commission sued Mr. Kamlesh Pattni, Uhuru Highway Development Limited and 15 others in High Court Civil Case No. 1111 of 2003 for, inter alia, recovery of the Grand Regency Hotel.

After lengthy out of court negotiations, the Commission registered a consent in settlement of this case on 9th April, 2008 in accordance with Section 56 B (2) and (4) of the Anti-Corruption & Economic Crimes Act. The effect of the consent was to have Mr. Kamlesh M.D. Pattni and M/S Uhuru Highway Development Limited relinquish and transfer ownership and all their rights and interest in the Grand Regency Hotel together with all improvements including fixtures thereto, moveable and immoveable assets to Central Bank of Kenya.

The Commission's interest in the court case and the Grand Regency Hotel ended when the case was settled and the property handed over to Central Bank of Kenya. To this extent Kenya Anti-Corruption Commission was not and could not have been involved in the disposal of the Grand Regency Hotel; this was strictly within the Central Bank's mandate and it was up to the Bank to deal with the property in whatever manner as long as such dealing was in compliance with the law.

Indeed on 22nd April, 2008, the Director of the Kenya Anti-Corruption Commission issued a press statement to this effect and at the same time advised the Governor of Central Bank to adhere to the law should the Bank deem it fit to dispose of the property.

The allegations and insinuations in both the print and electronic media that Kenya Anti-Corruption Commission could have been involved in the disposal of the Grand Regency Hotel are untrue. The Commission regards the recovery of the Grand Regency Hotel as a landmark in its efforts to recover assets that may have been corruptly acquired and it will never be a party to any transaction that would make a mockery of these efforts. The Commission would appreciate not to be dragged further into the controversy surrounding the sale of the Grand Regency Hotel as it has not been involved in the said sale in any manner whatsoever.

ISSUED in NAIROBI this 1st day of July 2008

JUSTICE (RTD) A.G. RINGERA
DIRECTOR/CHIEF EXECUTIVE

On the frontline against Corruption