[*Seventh Parliament -First Session]*

No. 14 (1).]

ADDENDUM TO THE ORDER BOOK No. 14

OF

PARLIAMENT

Issued on Friday, May 08, 2015

NOTICE OF MOTIONS FOR WHICH NO DATES HAVE BEEN FIXED

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Hon. (Prof.) G.L. Peiris

Hon. Bandula Gunawardane

Hon. Gamini Lokuge

Hon. Salinda Dissanayake

Hon. Dinesh Gunawardena

Hon. T. Ranjith De Zoysa

Hon. (Mrs.) Sriyani Wijewickrama

Hon. Manusha Nanayakkara

Hon. (Dr.) Ramesh Pathirana

Hon. Janaka Bandara

Hon. P. Piyasena

Hon. Y.G. Padmasiri

Hon. M.L.A.M. Hizbullah

Hon. Mahindananda Aluthgamage

Hon. Athauda Seneviratne

Hon. (Mrs.) Nirupama Rajapaksa

Hon. (Ms.) Kamala Ranathunga

Hon. Mohan Priyadarshana De Silva

Hon. Dullas Alahapperuma

Hon. Tissa Karalliyadda

Hon. Reginold Cooray

Hon. C.B. Rathnayake

Hon. Sarath Kumara Gunaratne

Hon. Jayasinghe Bandara
Hon. J. Sri Ranga
Hon. Eric Prasanna Weerawardhana
Hon. Susantha Punchinilame
Hon. S.M. Chandrasena
Hon. Nirmala Kotalawala
Hon. Piyankara Jayaratne
Hon. Lohan Ratwatte
Hon. Namal Rajapaksa
Hon. Tharanath Basnayaka
Hon. Udith Lokubandara
Hon. Thenuka Vidanagamage
Hon. Sarana Gunawardena
Hon. Sajin De Vass Gunawardena
Hon. Kanaka Herath
Hon. Johnston Fernando
Hon. Gitanjana Gunawardena
Hon. J.R.P. Suriyapperuma
Hon. (Dr.) Sarath Weerasekara
Hon. Roshan Ranasinghe
Hon. A. M. Chamika Buddhadasa
Hon. T.B. Ekanayake
Hon. C.A. Suriyaarachchi
Hon. Wimal Weerawansa
Hon. Rohana Dissanayake
Hon. Siripala Gamalath
Hon. Victor Antony
Hon. Mohan Lal Grero
Hon. Vasudeva Nanayakkara
Hon. Wijaya Dahanayake
Hon. V.K. Indika
Hon. Shehan Semasinghe
Hon. Janaka Wakkumbura
Hon. Hemal Gunasekera
Hon. Lakshman Wasantha Perera

Hon. Neranjan Wickremasinghe
Hon. Mahinda Yapa Abeywardena
Hon. A.P. Jagath Pushpakumara
Hon. Dilan Perera
Hon. Lakshman Senewiratne
Hon. Piyasena Gamage
Hon. Rohitha Abeygunawardana
Hon. Dilum Amunugama
Hon. Kumara Welgama
Hon. Sanee Rohana Kodithuvakku
Hon. A.R.M. Abdul Cader
Hon. Shantha Bandara
Hon. Jayarathne Herath
Hon. Vinayagamoorthi Muralidaran
Hon. Vidura Wickramanayaka
Hon. (Mrs.) Malani Fonseka
Hon. Tiran Alles
Hon. Chandrasiri Gajadeera
Hon. Jeewan Kumaranatunga
Hon. Nishantha Muthuhettigamage
Hon. Indika Bandaranayake
Hon. Duleep Wijesekera
Hon. Gunaratne Weerakoon
Hon. D.M. Jayaratne
Hon. Praba Ganesan
Hon. Sanath Jayasuriya
Hon. Neomal Perera
Hon. Arundika Fernando
Hon. Thilanga Sumathipala

Hon. W.D.J. Senewiratne,—Motion to Demand the Dismissal of Mr. Arjuna Mahendran, the Governor of the Central Bank of Sri Lanka from that Office of the Governor of the Central Bank of Sri Lanka,—

Whereas in terms of Article 148 of the Constitution, the Parliament shall have full control over public finance;

And whereas the fundamental function of the Central Bank of Sri Lanka is to safeguard the price and the economic stability of the country and to ensure the stability of the financial system;

And whereas the Governor of the Central Bank of Sri Lanka and the Monetary Board have been assigned responsibilities for this purpose and it is the Governor of the Central Bank of Sri Lanka himself who heads the Board concerned and therefore, the person who holds that position should be a most talented, honest and trustworthy person;

And whereas after Mr. Arjuna Mahendran, who is a Singaporean citizen and a closest acquaintance of the Prime Minister, was appointed as the Governor of the Central Bank of Sri Lanka in the latter part of January 2015, the Central Bank of Sri Lanka has sharply deteriorated within the short time in which he has held office and this has brought the whole country to disrepute and caused a financial loss as well;

And whereas some such corrupt and non-transparent acts done by Mr. Arjuna Mahendran, the Governor of the Central Bank of Sri Lanka are mentioned below—

(1.) Mr. Arjuna Mahendran has intentionally caused a huge loss to the government and the whole economy by awarding in an absolutely corrupt manner the 30-year Treasury bonds issued on 27th February 2015 by the Public Debt Department of the Central Bank of Sri Lanka to Perpetual Treasuries, which is the primary dealer firm that belongs to his son-in-law;

In that transaction, by increasing the interest rate of the country unnecessarily and artificially to benefit the firm of his son-in-law he had paved the way to earn undue profit of Rs. 200 crores for that firm and therefore only during the period of last 6 weeks the Government of Sri Lanka experienced an interest loss of about Rs. 4,500 crores which is the biggest interest loss in the Sri Lankan history, apart from that the overall interest rate in the whole financial system was increased due to the fraudulent act of Mr. Arjuna Mahendran and the whole population in the country loses the benefits enjoyed by when the inflation rate of the country was maintained at a mid single digit for more than 6 years and owing to that, the other primary role of the Central Bank of Sri Lanka, maintaining stability of the price is in great peril today;

(2.) Owing to the artificially manipulated interest rate caused by the action of Mr. Arjuna Mahendran, the Governor of the Central Bank of Sri Lanka on 27th February 2015 all other interest rates were affected and therefore compared to the interest rates of the previous day the interest rates increased by nearly 30% and this increase in the interest rates resulted in businessmen, rent payers, house builders and all others who obtain loans suffering and as a result of a great number of citizens having to pay high interest rates, there is an imminent danger of increasing the amount of bad debts in banks and non-banking institutions and thereby posing the other major function of the Central Bank of Sri Lanka to maintain the stability of financial system is at stake as at today;

(3.) Following the discussions held between the Minister of Finance and the Governor of the Central Bank of Sri Lanka with the International Monetary Fund in the latter part of January 2015, it was stated that the Government of Sri Lanka would be able to obtain a sum of U.S.$. 400 crores from that Fund within a few days and, however, a few days later the high ranking officials of the International Monetary Fund, at a press conference has stated that the Fund was not prepared to disburse such an amount to Sri Lanka and this demonstrates that the Governor of the Central Bank of Sri Lanka and the Minister of Finance have attempted to mislead the entire country, other foreign businessmen and investors thereby causing the international trust placed in the Central Bank of Sri Lanka and the Ministry of Finance been eroded to a great extent;

(4.) In the first week of February 2015, speaking to media the Minister of Finance and the Governor of the Central Bank of Sri Lanka said that the government was ready to raise a sum of U.S.$. 150 crores by issuing an International Sovereign Bond and however as of today, after the lapse of nearly 12 weeks they have failed to issue any such international bond and further, the international sources state that the allegations of corruption and malpractices against the Minister of Finance and the Governor of the Central Bank of Sri Lanka restrict the issue of such an international bond on behalf of the government of Sri Lanka and as the government and the Central Bank of Sri Lanka are not able to get foreign currency, the foreign reserves of Sri Lanka are facing a huge risk by now;

(5.) Foreign reserves controlled by the Central Bank had a value of U.S.$ 820 crores by 31.12.2014 and as a result of the reasons mentioned in (3) and (4) above, it has been reported that the said value has declined to U.S.$ 680 crores by now, recording a massive collapse and therefore, the high confidence earned by the country in foreign transactions in 2014 has deteriorated to a low level owing to the lack of far sight and incompetence of the Minister of Finance of this government and the Governor of the Central Bank of Sri Lanka and through this, an uncertainty has also been created about the investments flowing into the country and the entire foreign transaction market is shocked and a basis for a situation where our foreign investment could drain from the country is also building, as a result;

(6.) Through the uncertainty created with the rapid depletion of the foreign reserves of the country, the Sri Lankan Rupee which had a value of approximately Rs.130.50 in comparison to the U.S. Dollar on 31.12.2014 has fallen to around Rs.132.50 by now and it indicates that the value of the Sri Lankan Rupee has depreciated by 1.5% during the last 100 days alone and at the same time, since it was not possible to stop depreciation of the Sri Lankan Rupee in the foreign exchange market, the local value of the foreign loans obtained by the government has increased immensely and owing to this reason, the amount of total loans of the country has increased in an additional amount of Rs. 4,500 crores at present and it is evident that Sri Lanka will have to face a grave debt challenge if the rupee value is further depreciated resulting in an increase of loans obtained by the government;

(7.) Colombo Stock Market has rapidly collapsed through the loss of confidence in the Prime Minister, Minister of Finance and the Governor of the Central Bank of Sri Lanka which continues to grow day by day, as a result of the actions pointed out above and through that, it has been estimated that market capitalization of Sri Lankan Companies has already declined by a value more than Rs. 2,000 crores within the last 100 days alone;

And whereas Mr. Arjuna Mahendran, the Governor of the Central Bank of Sri Lanka has displayed through his practice that he is not fit to hold the said onerous, prestigious Office in view of the aforementioned facts;

And whereas he has made efforts to fulfill certain political objectives and other personal objectives of the United National Party ;

And whereas his actions, orders and conduct have caused a severe damage, loss and discredit to the Government of Sri Lanka and the national economy;

That this Parliament is of the opinion that Mr. Arjuna Mahendran, the Governor of the Central Bank of Sri Lanka should be dismissed from the Office of the Governor of the Central Bank of Sri Lanka forthwith.