Issue No. 361 28th AUGUST 2026 CEYLON INDEPENDENT @+94 77 230 0305

"Questioning The Answers"

THE CLOTHES MAY BE HERE— BUT WHERE DOES THE VALUE LIVE?

As our best companies go global, Sri Lanka must ask how much of the wealth they create remains anchored here.

FULL EDITORIAL INSIDE

FACTORIES HERE. OWNERSHIP ELSEWHERE?

The high-value parts of our companies are increasingly being housed abroad.

PROFITS, IP, HEADQUARTERS — WHERE?

We need answers before we lose more than just the balance sheet.

NOT NATIONALISM. COMPETITIVENESS.

Make Sri Lanka a place where companies choose to anchor and grow.

OUR PEOPLE. OUR CAPITAL. OUR FUTURE.

Let the world buy our clothes. Let the wealth remain here.

> "Take our enterprise to the world. But keep the ownership, the knowledge and the wealth created by it anchored in Sri Lanka.

ACROSS THE PALK STRAIT: VIJAY'S TAMIL NADU

Vijay's first 100 days: the film star now has to govern.

PORT CITY: WHERE IS THE CITY?

Twelve years, US$1.4 billion of investment, and the promised city remains largely prospective.

HOW MANY BOARDS ARE TOO MANY?

Directors and auditors are the shareholder's first lines of defence. But who decides when there are simply too many?

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Nearly 100 agreements signed as new Government tells global business Tamil Nadu remains open.

be that as it may

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NEWSLINE
Daily by Faraz

"Questioning The Answers"

THE SUPREME COURT: HANDLE WITH CARE

FROM JR AND NEVILLE SAMARAKOON TO CHANDRIKA AND SARATH SILVA, MAHINDA AND SHIRANI - POLITICS HAS WANDERED TOO CLOSE TO THE BENCH BEFORE. WITH 22A NOW BEFORE THE COURT, PERHAPS EVERYONE SHOULD REMEMBER THE LESSONS.

Sri Lanka's Supreme Court is older than independent Sri Lanka itself. Established by Royal Charter in 1801, it is one of the oldest Supreme Courts in the Commonwealth and carries more than two centuries of judicial history. That history deserves more than ceremonial respect; it demands political restraint.

Unfortunately, successive governments of different political colours have not always demonstrated it. This is not an accusation directed at one President, one party or one period. The historical record suggests instead a recurring Sri Lankan problem: political power has periodically wandered too close to the judiciary, and whenever it does, public confidence in the institution risks paying part of the price.

President J.R. Jayewardene broke with established expectations when he appointed Neville Samarakoon Chief Justice in 1977 from the private Bar rather than elevating a member of the existing Supreme Court. Samarakoon had been personally associated with Jayewardene, making the appointment particularly controversial at the time.

History, however, produced an interesting result. The supposed outsider did not become an obedient Chief Justice and instead demonstrated considerable independence, eventually becoming openly critical of the very Government whose President had appointed him.

There was an important lesson in that episode: judicial independence ultimately depends upon the person wearing the robes refusing to remember who helped put them on.

Two decades later came another appointment which generated profound controversy. President Chandrika Bandaranaike Kumaratunga appointed then Attorney-General Sarath N. Silva as Chief Justice in 1999, an appointment which attracted criticism both domestically and internationally and raised questions about the bypassing of senior members of the judiciary.

Whatever one's assessment of Sarath Silva's subsequent judgments - and history will continue debating them - the more damaging question was whether the public believed politics had entered the appointment process.

Courts survive not merely upon the legal authority conferred upon them by a Constitution, but upon public confidence that the men and women exercising that authority are independent of those who govern.

Then came the impeachment of Chief Justice Shirani Bandaranayake under President Mahinda Rajapaksa.

If earlier controversies had chipped away at confidence, her removal in January 2013 took the confrontation between political power and judicial independence to another level, particularly because the process continued amid judicial findings concerning its legality.

Former Attorney-General Mohan Peiris subsequently assumed office as Chief Justice. The Bar protested, international criticism followed and Sri Lanka found itself defending not merely a political decision but the perceived independence of its highest court.

Then politics changed. Maithripala Sirisena became President in January 2015 and Bandaranayake was restored as Chief Justice on the basis that her removal had been invalid. She returned to Hulftsdorp and retired the following day, restoring her status and entitlements as a former Chief Justice.

Perhaps an injustice was thereby corrected, but consider what the entire episode looked like institutionally. One political dispensation removed a Chief Justice and another restored her, leaving the Supreme Court caught between two exercises of political power. Whatever the legal arguments surrounding those events, that is precisely the sort of position in which the country's highest court should never again find itself.

Which brings us, rather uncomfortably, to 2026. The Government proposes increasing the retirement age of Supreme Court judges from 65 to 67 and Court of Appeal judges from 63 to 65, arguing that the measure forms part of a wider effort to address Sri Lanka's enormous backlog of cases.

That argument deserves to be heard. Indeed, the proposition that judicial retirement ages fixed decades ago should never be reconsidered would itself be difficult to defend: societies change, life expectancy changes, working lives change and the law cannot be expected to remain permanently frozen in time.

The critical questions are how such a change should constitutionally be made and, importantly, whether and how it should apply to judges already holding office. Those questions are now before the Supreme Court after petitions were filed challenging the proposed 22nd Amendment, with petitioners contending that aspects of the measure affect judicial independence and require approval by the people at a referendum. The Government takes a different view, and that disagreement is precisely why Sri Lanka has a Supreme Court.

It is against that background that recent remarks attributed to Justice Minister Harshana Nanayakkara deserve particular scrutiny. The Minister has reportedly indicated that the Government intends to proceed with the 22nd Amendment and the related Judicature Amendment despite the obstacles confronting them.

The Justice Minister is perfectly entitled to defend Government policy, argue that judges should serve longer and explain why the Government believes its proposals are constitutional.

The Attorney-General is equally entitled to defend the legislation vigorously when the constitutional challenges are heard.

But once citizens have invoked the jurisdiction of the country's highest court and that Court must determine the constitutional questions raised, there surely comes a moment when discretion becomes the better part of political valour. A Justice Minister should be especially careful not to create even the appearance of pronouncing the destination while the Court is still being asked to determine the route.

Nobody reasonably suggests that the Justice Minister can dictate what the Supreme Court will decide; plainly he cannot. Nor does the filing of a constitutional challenge require a Government automatically to abandon legislation. The issue is considerably subtler: justice must not merely be independent, but the circumstances surrounding its administration must make that independence unmistakable.

If the Minister whose very portfolio is Justice appears to tell the country that Government will proceed regardless of the obstacles while the Supreme Court is preparing to adjudicate upon objections to that proposal, the question is not simply whether he is legally entitled to say it. The question is whether he ought to say it at all. At the very least such comments are unnecessary; at worst they risk creating precisely the perception every responsible Government should be trying to avoid.

There is a wonderfully understated expression inherited from the British: it simply isn't cricket. The Executive proposes policy, Parliament legislates, citizens are entitled to challenge legislation, the Attorney-General argues the State's position and the Supreme Court determines what the Constitution permits. The constitutional arrangement works best when everyone respects those boundaries.

Sri Lanka has travelled close to this territory too many times. JR Jayewardene and Neville Samarakoon should teach us something; Chandrika Kumaratunga and the appointment of Sarath Silva should teach us something; Mahinda Rajapaksa and the removal of Shirani Bandaranayake should certainly teach us something. Her extraordinary restoration under the succeeding administration should teach us something too.

The lesson is not that every controversial judicial appointment or every attempt at judicial reform is necessarily unlawful. It is more fundamental than that: politics should be kept as far away from the administration of justice as the Constitution permits, because even the appearance of political influence can damage an institution whose authority depends enormously upon public trust.

Governments, Presidents and Chief Justices inevitably come and go, but the Supreme Court must remain. Its authority ultimately rests neither upon physical force nor electoral majorities, but upon something considerably more fragile - the people's belief that when the judges take their seats, nobody else is sitting on the Bench with them.

After 225 years, that is an inheritance Sri Lanka should be adding to, not spending.

be that as it may

"Questioning The Answers"

ONCE WE DECIDE, WE WILL NOT TURN BACK - PRESIDENT

AKD DEFENDS 22A, SAYS GOVERNMENT WILL LISTEN BUT WILL NOT RETREAT FROM DECISIONS TAKEN FOR THE PEOPLE

President Anura Kumara Dissanayake has strongly defended his Government's approach to decision-making, declaring that once a decision has been carefully considered and taken in the interests of the people, it will not be reversed simply because opposition or criticism follows.

Speaking at the National Milad-un-Nabi observance on Wednesday, the President made the remarks while responding to controversy surrounding the proposed 22nd Amendment to the Constitution.

"Once a decision has been taken, it will not be reversed," the President said, explaining that advantages, disadvantages and other relevant factors were considered before decisions were reached.

But he added an important qualification: if weaknesses were subsequently found, the Government would not hesitate to correct them.

The President defended 22A as a measure intended to speed up the delivery of justice. He pointed to cases taking years - in some instances decades - to conclude and questioned how public confidence in the justice system could be maintained under such circumstances.

The proposed amendment would extend the retirement ages of judges of the Supreme Court and Court of Appeal and increase the number of Court of Appeal judges.

The President's declaration comes at a particularly sensitive moment.

The constitutionality of 22A has now been challenged before the Supreme Court, placing the ultimate constitutional question not in the hands of the Executive, but before the country's highest court.

The Government may therefore have made its policy decision.

Whether it may constitutionally implement that decision in precisely the manner proposed is now for the Supreme Court to determine.

22A BATTLE MOVES INTO THE SUPREME COURT

NPP MP SEEKS DISMISSAL OF BASL OFFICE-BEARERS' CHALLENGE

The increasingly contentious battle over the proposed 22nd Amendment has moved firmly into the Supreme Court, with NPP parliamentarian Lakshman Nipunaarachchi seeking permission to intervene in proceedings and asking that a challenge brought by two Bar Association of Sri Lanka office-bearers be dismissed.

BASL Treasurer T.M.S. Pasindu Silva and Assistant Secretary Lakitha Isiwara Wakishta Arachchi have challenged the constitutionality of the Bill, contending among other matters that the proposed changes affect judicial independence and require approval by the people at a referendum.

Nipunaarachchi disputes those arguments.

His petition maintains that the proposed amendment falls within Parliament's legislative competence and does not require a referendum under Article 83 of the Constitution.

The Bill proposes increasing the retirement age of Supreme Court judges from 65 to 67 and Court of Appeal judges from 63 to 65, as well as increasing the number of judges of the Court of Appeal.

The controversy has produced an unusual constitutional confrontation. The Government argues that longer judicial tenure and an enlarged appellate judiciary form part of an effort to address delays in the administration of justice. Opponents question whether changing the tenure of serving judges raises deeper issues concerning judicial independence.

Those arguments will now have to be tested where they properly belong - in court.

For all the political noise surrounding 22A, the constitutional determination belongs neither to Government nor Opposition.

It belongs to the Supreme Court.

EL NIÑO HITS 84,000 - RS.3 BILLION SET ASIDE FOR FARMERS

GOVERNMENT ALSO WORRIES ABOUT WHAT HAPPENS IF INDIA RESTRICTS FOOD EXPORTS

More than 84,000 people are now reported affected by Sri Lanka's worsening dry conditions as the Government sets aside Rs.3 billion to compensate farmers for crop losses linked to El Niño.

Nearly 8,000 acres belonging to around 7,000 farmers have already been affected across Monaragala, Polonnaruwa, Hambantota, Anuradhapura and Ampara. Compensation of Rs.100,000 per hectare is to be available for affected paddy, maize, big onions, potatoes, soybeans and chillies, subject to a maximum of five acres per farmer.

But an equally serious concern may lie beyond Sri Lanka's shores.

The Government is discussing contingency measures should El Niño affect agricultural production in India sufficiently for New Delhi to restrict or suspend exports of essential food items.

Sri Lanka remains heavily dependent upon India for a range of food imports.

Deputy Trade, Commerce and Food Security Minister R.M. Jayawardena has confirmed that the possibility has been discussed at a meeting chaired by President Dissanayake, although no specific contingency measure has yet been decided.

That makes El Niño more than a drought problem.

Sri Lanka must protect its own harvest while preparing for the possibility that a principal supplier may decide it must protect its own people first.

Food security, after all, begins long before the shelves become empty.

INDIA-EU DEAL: TROUBLE AHEAD FOR SRI LANKAN EXPORTERS?

APPAREL INDUSTRY WARNS THAT INDIA COULD GAIN A POWERFUL ADVANTAGE IN EUROPE

Sri Lanka's exporters are confronting a potentially serious new competitive threat following the conclusion of the European Union-India Free Trade Agreement.

The Export Development Board has already held discussions with European Commission-appointed consultants examining what the agreement could mean for Sri Lankan exports, while the apparel industry has raised particular concerns.
The danger is straightforward.

Once the agreement completes the necessary legal and ratification processes, Indian products in several labour-intensive sectors are expected to receive substantially improved tariff access to the European market.

Sri Lankan garments may therefore find themselves competing against Indian products enjoying better tariff treatment in one of this country's most important export destinations.

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INDIA-EU DEAL...

There is a second potential complication. Sri Lankan apparel manufacturers using Indian-origin fabric could face difficulties arising from rules governing the origin of goods.

India has scale, an enormous domestic industrial base and increasingly favourable access to major international markets.

Sri Lanka cannot change India's advantages.

It can change its own competitiveness.

For an economy that has talked about export diversification, productivity and value addition for decades, the EU-India agreement is another reminder that our competitors have not been standing still while we talked.

FOREIGN MONEY RETURNS TO SRI LANKAN GOVERNMENT DEBT

MORE THAN US$25 MILLION FLOWS INTO RUPEE BONDS IN A WEEK

Foreign investors bought a net Rs.8.3 billion - approximately US$25.5 million - of Sri Lankan rupee-denominated Government securities in the latest reported week, extending a striking run of foreign buying.

Central Bank data show the purchases lifted net foreign buying of Government securities to around Rs.81.2 billion, or roughly US$246 million, over the recent uninterrupted run of weekly inflows.

Foreign holdings of rupee Treasuries have now crossed Rs.200 billion, reaching their highest level in almost eight years.

That deserves attention.

International investors buying rupee debt are accepting not merely Sri Lankan sovereign exposure but currency risk as well. The inflows therefore represent a useful market signal at a time when the country continues rebuilding confidence after the economic crisis and sovereign default.

It would nevertheless be premature to turn a few months of portfolio inflows into a declaration of victory.

Foreign money can arrive quickly - and leave equally quickly.

But after years in which the international financial story surrounding Sri Lanka was dominated by capital flight, collapsing reserves and default, investors voluntarily putting money back into rupee Government securities is a development worth recording.

Confidence may be a difficult commodity to measure. Sometimes, however, money does the measuring for us.

TOURISM: STOP COUNTING HEADS -START COUNTING DOLLARS

HOTEL INDUSTRY SAYS SRI LANKA MUST CHASE VALUE, NOT SIMPLY ARRIVAL NUMBERS

Sri Lanka's tourism industry is calling for a fundamental change in how the country measures success - less celebration over the number of people walking through the airport and greater attention to how much those visitors actually contribute to the economy.

The Hotels Association of Sri Lanka has called for greater emphasis on higher-spending tourists, longer stays and the wider economic benefits generated by each visitor.

The numbers help explain the concern.

Official figures show 1.34 million tourists arrived during the first seven months of 2026. July recorded 196,845 arrivals, 1.7% below the corresponding month last year.

More significantly, estimated tourism earnings during the first half of 2026 were about US$1.51 billion - 11.8% below the corresponding period of 2025.

That is the number that matters.

A country does not build foreign exchange reserves merely by stamping passports.

Sri Lanka must attract visitors who stay longer, spend more, travel beyond a handful of established destinations and leave more of their money circulating within the domestic economy.

For too long, governments have treated tourist arrival milestones almost like cricket scores.

Two million. Two-and-a-half million. Three million.
But the objective is not to win a headcount.

It is to build an industry.

PORT CITY: WHERE IS THE CITY?

TWELVE YEARS AFTER THE PROJECT BEGAN, COLOMBO HAS THE LAND, THE COMMISSION, THE LAW AND THE INCENTIVES. NOW SRI LANKA NEEDS TO SEE THE CITY - AND THE INVESTMENT - IT WAS PROMISED.

Drive along Colombo's seafront and it is impossible to miss the scale of Port City. Some 269 hectares have been reclaimed from the Indian Ocean, creating what was promoted as a new financial and commercial centre capable of putting Colombo alongside the great regional business hubs.

The ambition remains enormous. Port City envisages about US$15 billion in investment upon completion, 6.4 million square metres of built space and ultimately tens of thousands of jobs. China Harbour Engineering Company, through the project's developer, has already invested approximately US$1.4 billion in reclamation and enabling infrastructure.

There has certainly been progress. Utilities have been connected, a duty-free retail complex operates, the Business Centre provides office space and the Port City Economic Commission says there are now more than 140 registered enterprises. Cabinet also approved 77 Businesses of Strategic Importance earlier this year, with three major development projects expected to bring substantial new investment.

But after a project that commenced in 2014, the question Sri Lanka is entitled to ask is straightforward: where is the city?

What exists physically remains far removed from the extraordinary vision originally sold to the country. Much of the reclaimed land awaits vertical development and many businesses licensed to operate under the Port City regime need not actually maintain offices inside Port City itself.

The Commission's own rules permit Authorised Persons to operate from designated locations outside the zone until sufficient commercial office space is available.

That distinction matters because registrations, approvals and expressions of interest are not the same thing as investment actually landing in Sri Lanka. Nor are projected foreign exchange inflows the same as dollars already sitting in the banking system.

Port City's June announcement, for example, projects approximately US$262 million in foreign inflows from three primary strategic investments over the next five years and another US$364 million from secondary businesses. Those are encouraging numbers, but they remain projections.

Sri Lanka therefore needs greater clarity about what has actually arrived, what is contractually committed and what remains anticipated. A country recovering from sovereign default cannot afford to confuse the announcement of investment with the receipt of investment.

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"Questioning The Answers"

PORT CITY...

There is another issue, and it concerns the institution charged with converting this extraordinarily valuable piece of reclaimed ocean into an international financial and commercial centre.

The Colombo Port City Economic Commission describes itself as the single-window facilitator through which international investors should be able to transact quickly and efficiently. Its present Commission includes accomplished figures from law and business, with President's Counsel Harsha Amarasekera serving as Chairman alongside Sanjay Kulatunga, Amal Cabraal, Harsha Subasinghe, Ray Abeywardena and Parakrama Dissanayake.

But an international investor considering a transaction worth hundreds of millions of dollars does not deal principally with a collection of distinguished part-time Commissioners. Such investors need an executive institution with clearly identifiable senior professionals capable of taking complex transactions from first inquiry through legal structuring, regulation, due diligence and final investment.

The Commission does have a Director General and staff, but its public-facing organisational information provides surprisingly little visibility into the senior executive team responsible for these functions. For an institution selling Sri Lanka as an internationally competitive financial and commercial jurisdiction, that is a weakness worth addressing.

Where, for example, is the clearly identified senior legal executive to whom an international investor can turn when structuring a complicated transaction? Who is the senior investment professional empowered to shepherd a US$500 million proposal through the system? Who carries responsibility when the celebrated "single window" becomes several windows?

These are not cosmetic questions. Dubai, Singapore and other successful investment centres compete not merely through tax incentives but through speed, expertise, predictability and institutional credibility. Capital is extraordinarily impatient; if a jurisdiction makes investment difficult, the investor does not necessarily complain. Frequently, the investor simply invests somewhere else.

Transparency matters too. Questions have recently been raised in Parliament about remuneration within the Port City Commission and the absence of publicly available salary information. If public money or State-created institutional resources are involved, the instinct should surely be disclosure rather than secrecy.

There may be perfectly defensible salaries. Indeed, if Sri Lanka wants first-class lawyers, regulators, financiers and investment specialists capable of dealing with billion-dollar international transactions, it should expect to pay competitively for them. The objection is not necessarily to how much somebody earns; it is to why the public should not be told.

Port City is not an ordinary private property development. Its regulatory authority was created by an Act of Parliament, the land within its Area of Authority is vested in the Commission by State grant and extraordinary fiscal and regulatory concessions are available to qualifying businesses. That makes transparency a matter of public interest, not curiosity.

None of this means Port City has failed. In fact, the latest investment commitments may finally signal the beginning of the vertical-development phase Sri Lanka has waited years to see. The Commission says the 77 strategic businesses could generate significant foreign exchange and more than 10,000 direct jobs, while developers are now preparing major residential, marina and mixed-use projects.

But after more than a decade, Port City should increasingly be judged by buildings rather than brochures, dollars received rather than dollars projected, businesses operating rather than businesses registered and jobs created rather than jobs forecast.

Sri Lanka has already created the land. It has created the legislation, the regulator, the tax incentives and the special economic zone. It has marketed the project from Colombo to Dubai and presented Port City as the gateway to South Asia.

The ambition was never to create the world's most expensive piece of reclaimed ocean. It was to create a city. Now comes the part that matters: filling it.

be that as it may

HOW MANY BOARDS ARE TOO MANY?

DIRECTORS AND AUDITORS ARE SUPPOSED TO BE THE SHAREHOLDER'S FIRST LINES OF DEFENCE. BUT WHEN ONE PERSON SITS ON BOARD AFTER BOARD, WHO DECIDES WHEN THERE ARE SIMPLY TOO MANY?

Buy a single share in a listed company and you become an owner. You may own only a microscopic fraction of the business, but the principle remains the same: directors are entrusted with overseeing a company using capital that belongs, at least in part, to other people.

That is why a directorship of a public listed company should never be regarded merely as another prestigious line on a curriculum vitae. Directors are expected to understand the business, question management, scrutinise accounts, assess risks, consider conflicts and make decisions in the interests of the company.

Independent directors carry an especially important responsibility. Their value is not that they attend meetings and approve papers placed before them, but that they are sufficiently independent of management and controlling shareholders to ask questions others may prefer were not asked.

Auditors occupy another crucial position. They do not run the company and they do not replace the board, but shareholders depend upon them to provide independent assurance that the financial statements present the company's affairs in accordance with the applicable financial reporting framework.

These responsibilities become particularly important in Sri Lanka, where many listed companies have controlling or influential shareholders while thousands of minority shareholders, pension funds and institutional investors provide capital without exercising comparable influence over management.

The question therefore deserves asking: how many listed-company boards can one person realistically serve on while properly discharging the responsibilities owed to each?

There is no magic number. A retired executive sitting on four boards may have considerably more time than a chief executive simultaneously running a large business and sitting on three others. A straightforward company may require less attention than a bank, diversified conglomerate or highly leveraged business operating across several jurisdictions.

But absence of a universal magic number should not mean absence of scrutiny.

Every listed-company directorship brings board papers, committee meetings, financial statements, risk reports, regulatory obligations and decisions requiring individual judgment. When trouble arrives - a major acquisition, liquidity crisis, fraud allegation, regulatory investigation or sudden collapse in earnings - the demands can multiply overnight.

A director cannot reasonably argue that he or she did not have time to read the papers. Finding that time is part of the job.

This is where the fashionable practice of collecting board seats deserves greater attention from shareholders, regulators and nomination committees. A distinguished name may decorate an annual report, but shareholders should be asking whether that individual has the time, independence and willingness to challenge management when necessary.

The issue becomes even more significant when the same directors repeatedly appear across interconnected corporate circles. Familiarity can bring experience and institutional knowledge, but it can also create a culture in which everybody knows everybody, serves alongside everybody and becomes reluctant to challenge anybody.

"Questioning The Answers"

HOW MANY BOARDS...

Good corporate governance requires more than technical independence. It requires independence of mind.

Sri Lanka's governance framework does contain restrictions and safeguards, particularly for regulated sectors and independent directors, while listed companies are required to make extensive disclosures about their boards and governance practices.

Yet the broader public-interest question remains whether there should be clearer limits, or at least stronger shareholder scrutiny, over the aggregate number of significant directorships any individual can responsibly hold.

The answer need not necessarily be another rigid regulation.

Companies themselves could disclose more clearly the total listed and substantial unlisted board commitments of every director, while nomination committees could explain why they believe each proposed director has sufficient time to perform the role.

Shareholders could then make up their own minds.

The same principle of scrutiny applies to auditors. An auditor's signature should never be treated as an ornamental attachment to an annual report.

Independence, professional scepticism and the willingness to challenge management are fundamental precisely because shareholders ordinarily cannot inspect the company's books themselves.

History, both internationally and in Sri Lanka, has repeatedly demonstrated what happens when boards become complacent, auditors become too comfortable or shareholders assume somebody else is asking the difficult questions.

That is why governance cannot begin and end with compliance. A company may tick every box in a governance statement and still have a board that is ineffective, inattentive or insufficiently independent.

The people whose savings are invested through pension funds, unit trusts and individual shareholdings may never enter the boardroom.

They nevertheless have every right to expect that those who do enter it arrive prepared, remain awake and ask questions.

Perhaps the test for every nomination committee should therefore be remarkably simple. Before appointing somebody to yet another board, do not ask only whether this person is distinguished enough to become a director.

Ask whether this person has enough time to be one.

Because when directors and auditors deal with public companies, ultimately they are dealing with other people's money.

And other people's money deserves considerably more than a famous name around the table.

be that as it may

VIJAY'S FIRST 100 DAYS: THE FILM STAR NOW HAS TO GOVERN

TAMIL NADU VOTED FOR CHANGE. THREE MONTHS LATER THE QUESTION IS WHETHER TVK CAN TURN A POLITICAL REVOLUTION INTO AN ADMINISTRATION

One hundred days ago Joseph Vijay was principally known across India as one of Tamil cinema's biggest stars. Today he is Chief Minister of a state of more than 70 million people and presides over a Government born from one of Tamil Nadu's most remarkable political upsets.

His Tamilaga Vettri Kazhagam won 108 seats in May, with the TVK-led alliance commanding 120 MLAs. In doing so Vijay broke into a political system dominated for decades by the DMK and AIADMK and demonstrated that the enormous crowds surrounding his political entry could actually be converted into votes.

The honeymoon, however, is already giving way to scrutiny.

Opposition parties have attacked the Government's first 100 days over law and order, water, tenders and unfulfilled promises, while Congress MP Praveen Chakravarty offered a more intriguing assessment: whatever its shortcomings, the new administration had created a belief that Tamil Nadu could be governed without corruption.

That may ultimately be Vijay's most important test. Tamil Nadu did not elect him merely to produce a different cast of politicians. It elected him because sufficient numbers of voters believed he might produce a different kind of politics.

The box-office numbers are in. Now comes the considerably harder business of governing.

VIJAY SCRAPS US$2.86 BILLION AIRPORT

FARMERS WIN AT PARANDUR - BUT CHENNAI STILL DESPERATELY NEEDS MORE AVIATION CAPACITY

One of the clearest indications that Vijay intends to distinguish his Government from its predecessor has come at Parandur, where Tamil Nadu has scrapped the proposed US$2.86 billion second Chennai airport following years of opposition from farmers concerned about the loss of agricultural land.

The decision is politically significant because the project had been approved under the previous Government and was regarded as essential to Chennai's rapidly expanding aviation requirements. Vijay has instead ordered officials to identify alternative sites with a smaller impact on agriculture and local livelihoods.

But cancelling an airport is considerably easier than replacing one. Chennai is one of India's most important manufacturing centres, home to operations belonging to Hyundai, Renault, Foxconn, Tata Electronics and numerous global suppliers. Industry has warned that additional aviation capacity is urgently needed to support manufacturing, cargo, technology and services.

The Government is simultaneously looking at expanding the existing Chennai airport from capacity of around 30 million passengers annually towards 55 million.

Vijay has therefore made an important political choice: development should not automatically trump farmers and agricultural land. He must now demonstrate that environmental and social sensitivity can coexist with the infrastructure demanded by one of India's most powerful industrial economies.

VIJAY'S FIRST BUDGET: WELFARE -BUT WITH AN INVESTMENT BILL ATTACHED

EDUCATION EMERGES AS A CENTREPIECE OF THE NEW GOVERNMENT

Tamil Nadu's first Budget under the TVK Government has provided the clearest indication yet of what Vijay intends his administration to look like beyond campaign rallies and cinema-sized political spectacle.

Education has emerged as one of its largest priorities, including a Rs.2,132 crore infrastructure programme covering 3,734 schools, improvements across 10,000 Government schools, new Schools of Excellence, curriculum reforms and digital public libraries. More than 530,000 Class XI students are also expected to receive bicycles and helmets.

The broader Budget attempts to combine Tamil Nadu's deeply established welfare tradition with infrastructure and human-capital investment rather than dismantle the social model built by previous Dravidian administrations.

That is politically astute. Vijay did not win Tamil Nadu by persuading voters that the state's welfare system should disappear. His challenge is to convince them that it can be administered better while simultaneously generating the investment, employment and tax revenue needed to pay for it.

The real judgment on his first Budget will therefore come considerably later. Welfare promises are popular when announced; governments discover their true cost when the bills arrive.

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US$7 BILLION: VIJAY MAKES HIS PITCH TO INVESTORS

NEARLY 100 AGREEMENTS SIGNED AS NEW GOVERNMENT TELLS GLOBAL BUSINESS TAMIL NADU REMAINS OPEN

If anyone expected Vijay's Government to turn away from the industrialisation drive that made Tamil Nadu India's leading manufacturing state, its first major investment push suggests otherwise.

Tamil Nadu signed nearly 100 investment agreements this month worth approximately Rs.674.5 billion - around US$7 billion - involving companies including Saint-Gobain, Titan and US-based Super Micro Computer

The significance extends beyond the headline number. Vijay came to office promising political change, but Tamil Nadu's economic success has been built over successive governments through aggressive competition for manufacturing investment. Abandoning that model would carry enormous economic consequences.

The early evidence instead suggests continuity in industrial ambition accompanied by an attempt to put the new Government's own stamp upon how investment is obtained and distributed.

But Tamil Nadu - like Sri Lanka - should distinguish carefully between memoranda signed and factories actually built. Investment agreements become economically meaningful only when capital arrives, construction begins and people are employed.

For Vijay, the US$7 billion announcement is therefore not the finish line.

It is the starting gun.

CHENNAI GETS SEVEN MINISTERS -AND ONE MAN TO KEEP THEM MOVING

VIJAY PUTS CITY DEVELOPMENT AND MONSOON PREPARATION UNDER CLOSER POLITICAL WATCH

Chief Minister Vijay has ordered seven Ministers to take responsibility for development work across Chennai's 15 municipal zones, with Public Works and Sports Development Minister Aadhav Arjuna given the task of coordinating their activities.

The arrangement is intended particularly to strengthen preparations for the monsoon, including drainage, disaster response and development works across Greater Chennai. Special officers are also being assigned to individual zones.

It is an early administrative test with potentially serious political consequences. Chennai's recurring battles with flooding have repeatedly exposed weaknesses in drainage, urban planning, water management and coordination between agencies.

For the new Government, there will be little political value in explaining after the next major downpour that the problem was inherited.

Vijay promised change. Chennai's monsoon has a particularly unforgiving way of checking whether governments have delivered it.

THE OTHER VIJAY REVOLUTION: YOUNGER FACES, FEWER DYNASTIES

TAMIL NADU'S NEW ASSEMBLY PRODUCES A STRIKING GENERATIONAL SHIFT

Perhaps the most interesting consequence of Tamil Nadu's political upheaval is not Vijay himself but some of the people who entered politics alongside him.

An Indian Express analysis has found Tamil Nadu now has 47 legislators aged 40 or younger, with only three coming from established political families - a striking contrast with the prevalence of dynastic politics among younger representatives elsewhere in India.

That matters because Vijay's rise was built partly upon dissatisfaction with an established political order dominated by familiar parties, families and networks. Replacing one leader while leaving the wider political ecosystem untouched would have represented considerably less of a revolution.

The presence of younger legislators without inherited political surnames does not guarantee better government. New politicians are perfectly capable of acquiring old political habits.

But it does represent an opportunity.

Tamil Nadu's voters have done something unusually difficult in democratic politics: they have disrupted an entrenched two-party order and opened the door to a new political generation.

Vijay's responsibility is now considerably greater than winning an election. He must ensure that those new faces do not simply learn the old ways.

That may ultimately determine whether May 2026 is remembered merely as the year Tamil Nadu elected a film star - or the year its politics genuinely changed.

be that as it may

THE CLOTHES MAY BE HERE - BUT WHERE DOES THE VALUE LIVE?

SRI LANKA CELEBRATES ITS HOME-GROWN MULTINATIONALS. IT SHOULD. BUT AS OUR BEST COMPANIES BECOME GLOBAL, WE MUST ASK HOW MUCH OF THE VALUE THEY CREATE REMAINS ANCHORED TO THE COUNTRY THAT CREATED THEM.

Sri Lanka has produced some remarkable businesses. From apparel and manufacturing to logistics, tea, rubber, activated carbon, finance and technology, companies conceived on this small island have demonstrated that Sri Lankan entrepreneurs can compete successfully with considerably larger countries.

We should celebrate that achievement, not resent it. When a Sri Lankan company establishes factories in India, Bangladesh, Vietnam, Indonesia, Kenya or elsewhere, that is not necessarily capital abandoning Sri Lanka. It may be precisely what a successful multinational company must do to remain competitive. But globalisation creates a different and more difficult question. As Sri Lankan businesses become multinational, where does the economic value of those businesses ultimately reside?

The distinction matters. A factory may remain in Sri Lanka while ownership of parts of a corporate structure sits in Singapore, Hong Kong, Dubai or elsewhere. Intellectual property can be owned in one jurisdiction, financing arranged in another, profits booked elsewhere and strategic decisions made from yet another country.

None of that is inherently improper. International corporate structures exist for perfectly legitimate reasons including access to capital, customers, tax treaties, legal certainty, investment protection and the requirements of multinational clients. Sri Lankan companies are also legally permitted, subject to foreign-exchange rules, to establish and invest in businesses overseas.

Indeed, if we want Sri Lankan businesses to become genuinely global, we cannot demand that every factory, subsidiary and corporate function remain physically inside an island of 22 million people.

But neither should Sri Lanka be indifferent to where the highest-value parts of those businesses eventually settle. There is a considerable difference between a Sri Lankan multinational expanding overseas and a business gradually reaching the point where Sri Lanka supplies principally the workers, factories and historical identity while ownership, capital accumulation, intellectual property or corporate control increasingly resides elsewhere.

That is the question policymakers should be examining. Take apparel. Sri Lanka built an extraordinary industry without producing the cotton from which most of its garments are made. Generations of workers, engineers, managers and entrepreneurs transformed this country into a sophisticated supplier to some of the world's largest brands.

The industry brought billions of dollars in export earnings, created hundreds of thousands of jobs, trained generations of Sri Lankan managers and helped establish the country's reputation for ethical and technically sophisticated manufacturing. Those benefits are real and enormous.

Yet the industry's very success has enabled its leading companies to become international businesses. MAS, for example, remains headquartered in Sri Lanka and has substantial Sri Lankan operations, while also operating a vast international manufacturing network. Public records additionally show a MAS Holdings Singapore company incorporated in 2012 whose stated principal activity is that of a holding company.

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"Questioning The Answers"