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CITY OF DREAMS

THE LOSS BEFORE THE INTEREST BILL



WHAT IS THE TRUE COST OF THE LOANS?

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CITY OF DREAMS: THE LOSS BEFORE THE INTEREST BILL

Melco's Sri Lanka figures reveal an operating loss. The unanswered question is what financing costs do to the local company's bottom line.

A casino's accounts deserve scrutiny as sharp as its business instincts. Melco's first-half 2026 results show a US$6.18 million operating loss under "Other Operations", comprising its Sri Lanka casino and Nüwa hotel management activities. That figure stops before interest and tax: it cannot be presented as the final loss of the Sri Lankan company. (globenewswire.com)

The financing structure makes that distinction consequential. Melco's annual filing for 2025 records approximately US$24.535 million in equity and US$90 million in loan investment before the casino opened that August. Its BOI commitment expressly provided for funding through 20% equity and 80% loan capital, demonstrating that borrowing was integral to the investment structure. Those historical investments do not establish the outstanding debt at June 2026. (sec.gov)



Investment brings capital into a country, but its terms determine the obligations that follow. Equity and loans carry different claims on a business's future resources. The obvious questions are therefore who lent the money, on what terms, at what interest rate and with what repayment timetable.

Be that as it may, an unanswered question is not proof of wrongdoing. The reviewed disclosures establish neither a zero-interest arrangement nor a particular Sri Lanka financing charge. Applying an assumed rate to US$90 million and declaring a larger loss would substitute arithmetic for evidence.

Group accounting adds another complication. Interest between consolidated subsidiaries is eliminated from group results, although it may remain an expense in the borrowing company's standalone accounts. Consequently, the absence of a separately identified charge in the group presentation cannot settle what Bluehaven Services actually incurred locally.

Nor can Melco's worldwide financing bill supply the missing answer.

Its first-half results disclose US$222.803 million in group interest expense, net of capitalised amounts, and US$3.277 million in other financing costs. Neither total can simply be allocated to Sri Lanka. (globenewswire.com)

The decisive documents are Bluehaven's standalone first-half accounts and the supporting loan disclosures. These should establish the lender, outstanding principal, interest terms, amounts accrued or paid, and any capitalised financing costs. Until then, the operating loss is a meaningful figure with a clear limit.

Sri Lanka should welcome investment while asking precise questions about its economics. The case for fuller disclosure is straightforward: the public can see the operating loss, but cannot yet establish the local financing cost. A confident investment story should withstand that examination.

THE CORRUPTION TEST COMES HOME

BRIBERY COMMISSION TURNS SPOTLIGHT ON TWO GOVERNMENT FIGURES AS QUESTIONS OVER ASSET DECLARATIONS PUT AKD'S PROMISE OF CLEAN GOVERNMENT TO THE TEST

The promise of a new political culture is facing a significant test. Sri Lanka's Commission to Investigate Allegations of Bribery or Corruption (CIABOC) has reportedly decided to conduct full investigations into the assets of Deputy Minister of Public Security Sunil Watagala and former Energy Minister Kumara Jayakody, following preliminary inquiries that identified matters requiring further examination.

The investigations arise from a complaint lodged in September 2025 by civil rights activist Jamuni Kamantha Thushara de Silva concerning the assets of five Cabinet ministers and a deputy minister. The complaint also named Bimal Rathnayake, Wasantha Samarasinghe, Sunil Handunnetti and Nalinda Jayatissa. The latest development, however, concerns the decision to pursue more detailed inquiries into Watagala and Jayakody.

At the centre of the investigation are reported discrepancies between earlier and subsequent asset declarations. Preliminary inquiries reportedly established that increases in property values could explain some changes in declared wealth. Questions concerning additional assets subsequently declared have nevertheless prompted further examination.

None of this establishes wrongdoing. Both men are entitled to the presumption of innocence, and discrepancies in asset declarations do not automatically constitute evidence of corruption. The responsibility of investigators is to establish whether the assets were lawfully acquired and properly declared, not to satisfy political expectations.

But the political implications are considerable. President Anura Kumara Dissanayake came to office promising to dismantle a culture in which political connections appeared to offer protection from scrutiny.

His administration has repeatedly emphasised accountability for the conduct of previous governments. The more demanding test is whether the same standards will apply without hesitation to those associated with his own administration.

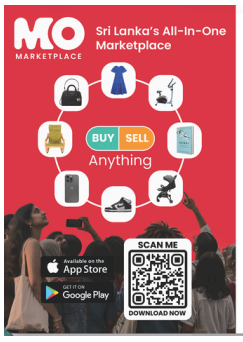
Be that as it may, an investigation into government figures should not automatically become an embarrassment for the President. On the contrary, the willingness of independent institutions to examine those holding political office could become evidence that the system is changing, provided the process is genuinely independent and reaches conclusions supported by evidence.



There must be no political interference, no premature exoneration and certainly no trial by publicity. The Commission must be free to investigate, while those under scrutiny must have every opportunity to explain their declarations.

Sri Lanka has endured decades of allegations, investigations and prosecutions that have too often left the public questioning whether justice depends upon political circumstances.

The question confronting this government is therefore straightforward. Will accountability remain a principle when those being investigated belong to its own ranks?





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NAVIGATING A WORLD IN CRISIS. ARE WE HEADING TOWARD ANOTHER FINANCIAL CRISIS?

By Bismark

The world is sending Sri Lanka a warning and it is arriving from every direction at once. Global energy prices are climbing, with petroleum and gas costs spiking unpredictably.

Fertilizer supply chains are narrowing, driving agricultural input costs upward. Shipping prices are escalating, making imports more expensive and exports less competitive.

The Pacific El Nino effect and accelerating climate change are disrupting weather patterns and harvests. And global food prices are on the rise, with consumers, manufacturers, and suppliers struggling to meet demand as food supply chains fracture.

For a small island nation with limited foreign reserves and modest financial growth, these are not distant headlines. They are immediate threats to the kitchen table, the fuel station, the farm, and the factory.

Sri Lanka's position is uniquely precarious. The country depends heavily on imports for fuel, fertilizer, and food staples, while its export earnings from tea, garments, and tourism remain vulnerable to global demand shocks. With foreign reserves still recovering from recent economic turmoil, every spike in world prices translates into a heavier burden on the balance of payments and the national budget.

The question on many minds is simple and urgent: Can Sri Lanka face this crisis? The honest answer is that it can but not by repeating the policies that deepened the last one.

Can We Afford to Subsidize Oil and Energy?

The appeal of subsidies is understandable. When fuel and electricity prices rise, households and businesses feel the squeeze immediately.

But Sri Lanka's recent history offers a hard lesson: broad, untargeted subsidies are enormously expensive, drain foreign reserves, distort consumption, and often benefit the wealthier segments of society disproportionately.

They are, in effect, a burden shifted onto future generations.

A more prudent path is targeted support: direct cash transfers or vouchers for low-income households, farmers, and small businesses, rather than blanket price controls.

This protects the vulnerable without bankrupting the treasury and it preserves the price signals that encourage energy efficiency and conservation.

Without disciplined policy, the risk is real. A combination of rising import bills, subsidy costs, and slower export growth could pressure the rupee and deplete reserves.

However, Sri Lanka is not without tools.

Prudent fiscal management, close coordination with multilateral partners such as the IMF, and a clear eyed prioritization of spending can prevent a spiral. The danger lies not in the crisis itself, but in responding to it with unsustainable short-term measures.



The Best Options Before Us

1. Targeted social protection over blanket subsidies. Replace universal fuel and electricity subsidies with direct cash transfers and food vouchers for the most vulnerable, ensuring support reaches those who need it most at a fraction of the fiscal cost.

2. Energy diversification and efficiency. Accelerate investment in renewable energy solar, wind, and small hydro to reduce dependence on imported fossil fuels. Promote energy efficient appliances, public transport, and fuel-efficient practices to lower demand.

3. Agricultural resilience. Secure fertilizer supplies through regional partnerships and bulk procurement, promote organic and climate mart farming methods, and invest in irrigation and drought-resistant crop varieties to withstand El Nino driven weather extremes.

4. Food security buffers. Maintain strategic reserves of essential food items, strengthen domestic food production, and encourage urban and home gardening to reduce reliance on imports.

5. Trade and logistics diplomacy. Work with regional partners to secure favorable shipping arrangements, explore alternative supply routes, and support exporters in diversifying markets.

6. Fiscal discipline and transparency. Avoid unfunded spending, strengthen tax administration, and communicate openly with citizens and international partners about the trade-offs involved.

Sri Lanka stands at a crossroads. The global crisis is real, and its effects will be felt in every household. But crises also clarify choices.

By resisting the temptation of unsustainable subsidies, protecting the vulnerable through targeted measures, and investing in long-term resilience in energy, agriculture, and food security Sri Lanka can navigate this storm.

The alternative short-term palliatives financed by borrowed money would only deepen the next crisis. The path forward demands discipline, foresight, and political courage. For a nation that has weathered so much, these are qualities it cannot afford to lack.

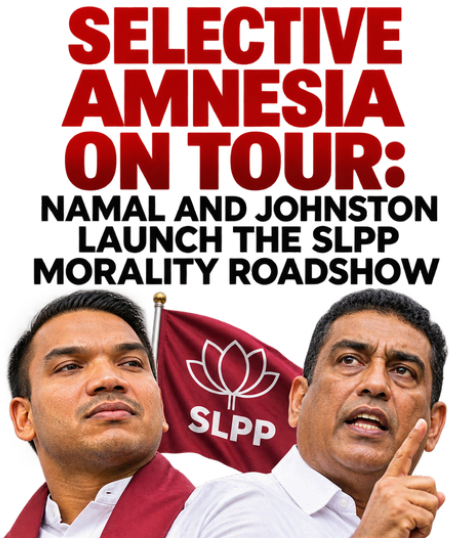


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SELECTIVE AMNESIA ON TOUR: NAMAL AND JOHNSTON LAUNCH THE SLPP MORALITY ROADSHOW

The Sri Lanka Podujana Peramuna (SLPP) has decided it is high time to educate the public on political morality. Starting Monday, the party will launch a nationwide, village-level campaign across Sri Lanka, kicking off right in the Colombo District. Organized under the guidance of party National Organiser Namal Rajapaksa and announced by Operations Head Johnston Fernando, this political roadshow aims to hit local branches five days a week. Their mission? To warn ordinary citizens about the government's unfulfilled election promises and alleged corruption.

If that sound bite makes you pause and rub your eyes, you are not alone. There is a deep, almost artistic irony in watching the SLPP transform into the self-appointed guardians of fiscal transparency and broken vows. This is, after all, the same political outfit whose previous tenure in government gave the island front-row seats to unmanageable sovereign debt, dramatic policy U-turns, and economic mismanagement that brought everyday life to a grinding halt.



Addressing a gathering of Colombo constituency organizers, Johnston Fernando laid out the battle plan with total seriousness. He instructed party workers to fan out across the country and remind voters about a host of recent controversies. The hit list includes the release of 323 uninspected containers, alleged irregularities in coal procurement, reports of Central Bank cybersecurity lapses, and funds landing in the wrong accounts.

Fernando also urged organizers to remind households about promised tax cuts on essential groceries, healthcare, and school books. The SLPP claims the current administration has failed to deliver on these commitments, leaving families struggling to stretch their monthly budgets.

Pointing out government shortcomings is standard opposition politics. But hearing these specific complaints from the SLPP feels a bit like receiving a lecture on fire safety from a team of enthusiastic arsonists.

When SLPP organizers walk into village meeting halls to talk about tax promises and economic pressure, voters might recall how quickly essential items disappeared from shelves just a couple of years ago. Reminding rural communities about expensive procurement scandals requires a remarkable level of selective memory. For many Sri Lankans, the party's sudden concern over public spending and administrative integrity feels less like a genuine awakening and more like a desperate attempt to stay relevant in a political landscape that has largely moved past them.

The party plans to run this island-wide campaign continuously, hoping to rebuild its grassroots footprint ahead of upcoming electoral battles. But as party organizers prepare their speeches, they face a tough audience. Sri Lankan voters are increasingly quick to spot the disconnect between past actions and present rhetoric.

Criticizing the government on living costs and policy delays is fair game in any democracy. However, doing so without acknowledging one's own legacy leaves the campaign looking more like a comedy act than a serious political movement. Whether the SLPP's village outreach builds real momentum or simply serves as a daily reminder of why voters turned away in the first place remains to be seen.

ANOTHER STRIKE AGAINST THE POLICE: DOMPE CONSTABLE FINED RS. 100,000 FOR ATTACKING WOMAN

The Sri Lanka Police Service has suffered another blow to its credibility. The Supreme Court ruled that a police constable at the Dompe Police Station violated a woman's fundamental rights by physically assaulting her. The court ordered the officer to pay Rs. 100,000 in compensation directly from his personal money within six months.

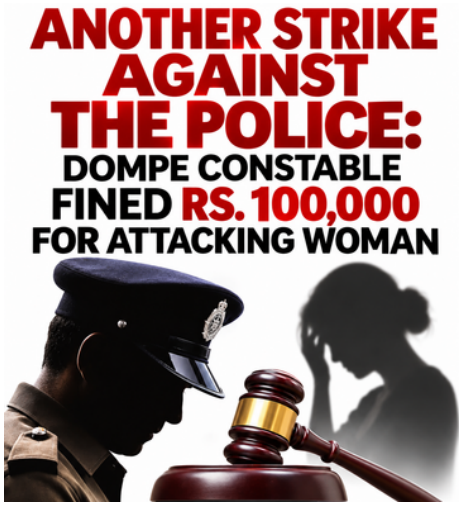
The decision was delivered by a three-judge Supreme Court bench made up of Justices Janak De Silva, Menaka Wijesundera, and Sampath Wijeratne. Accepting the petition filed by Jayasinghage Nirmala Kanthi, the court ruled that Police Constable Lakmal (84253) broke Article 11 of the Constitution, which bans torture and cruel or inhuman treatment.

The victim explained that the attack happened on October 7, 2019. She had gone to the Dompe Police Station simply to bring a lunch packet to her husband, who was arrested by Special Task Force officers over allegations of brewing illicit liquor. Instead of being allowed to hand over the food, she was verbally abused and physically attacked by the constable.

To prove her story, The victim presented strong medical evidence, including an official medico-legal examination receipt, a hospital diagnosis ticket, and photos showing her injuries. The Supreme Court noted that the injuries in the photos matched the doctor's medical reports exactly.

A three-wheeler driver who drove her to the station and then rushed her to the hospital after the attack also provided a sworn affidavit confirming the events.

Senior Counsel Himalee Kularatne represented the victim. Counsel Udaya Bandara appeared for the police officer, and State Counsel Induni Punchihewa represented the Attorney General.



This verdict is just one of many recent cases showing police abuse in Sri Lanka. From deaths in police custody to routine violence against ordinary citizens, force inside police stations has become far too common. The fact that a woman was beaten just for bringing lunch to her detained husband shows how serious this problem really is.

Ordering an officer to pay out of his own pocket is a good step, but it is not enough to fix a broken system. Money alone will not change a culture that lets police officers abuse their power.

The country needs real reform, strict punishments, and an immediate public push to hold abusive officers accountable. Until officers face loss of their jobs alongside court fines, citizens entering a police station will remain at risk.

THE COST OF A LEAK: TAXPAYERS FOOT RS. 13.5 MILLION BILL FOR TUITION CLASS EXAM FRAUD

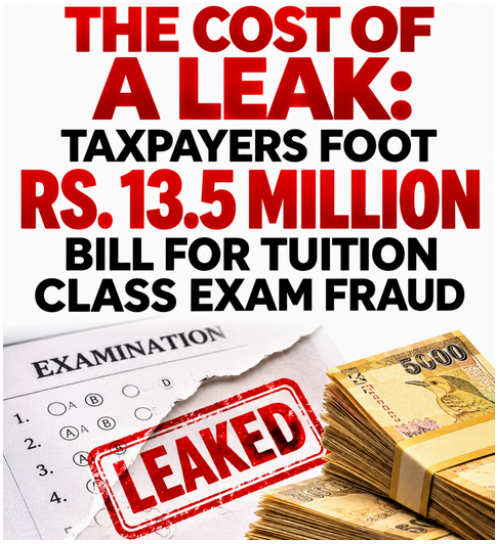
If you ever wondered what negligence and systemic corruption look like on a provincial ledger, the National Audit Office has provided a crisp, seven-figure answer. A newly released audit report has revealed that the government was forced to blow through an additional Rs. 13.5 million simply to reprint Grade 3 and Grade 11 term examination papers in the North Central Province.

The cause? The original question papers were systematically leaked to private tuition class teachers before students could even sit for the exams.

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THE COST OF A LEAK...

The original printing venture was hardly a pocket-change affair. The North Central Provincial Education Department had awarded a massive contract worth Rs. 54.39 million to the Provincial Development, Construction and Machinery Agency to handle the province's 2024 school papers. However, the integrity of the entire operation imploded when officials discovered that Grade 3 and Grade 11 question papers had effortlessly migrated from the printing agency straight into the hands of private tuition instructors. With the paper security completely compromised, education authorities had no choice but to halt the examinations mid-stride.



To fix the mess, the Provincial Education Department was forced to run to the Government Printing Department to reprint the entire batch, tacking an extra Rs. 13.5 million burden onto the public purse.

Yet, the most damning revelation in the audit report is not just the financial waste, but the complete absence of immediate accountability.

Despite the investigation confirming that the breach originated from within the provincial printing agency, the audit highlights that zero action has been taken to recover the financial loss from the culprits.

When questioned over the glaring lapse, Secretary to the Provincial Chief Ministry K.M.H.S.K. Jayalath confirmed that a police complaint has finally been lodged, assuring that legal action will follow the investigation.

But for Sri Lankan taxpayers and parents, the incident underscores a far deeper decay.

When primary school and ordinary level term papers are traded like commercial commodities to fuel the lucrative private tuition industry, the integrity of state education is thrown out the window.

Until authorities recover every cent of that Rs. 13.5 million directly from the perpetrators, the message remains clear: in the business of leaking exams, the public always gets stuck paying the invoice.

VIRAL VIDEO OF CHILD ASSAULT SPARKS SWIFT POLICE ARREST

It took a disturbing clip going viral on social media for a young child's nightmare to finally reach the authorities. On October 31, footage of a minor being physically battered began tearing across online platforms, sparking instant public fury. Thankfully, officers at the Enderamulla Police Station's Children and Women's Bureau didn't wait around. They moved fast, tracked down the location that very day, arrested the woman caught on camera, and pulled the child out of harm's way.

Further inquiries revealed the actual assault had taken place days earlier, on October 28. To handle the case officially, Enderamulla officers handed both the suspect and the child over to the Cinnamon Gardens Police. The youngster was immediately admitted to hospital for medical treatment and safety evaluations, while investigators set about building a formal case for court.



While the quick police work deserves credit, the situation leaves a bitter taste. A child shouldn't have to trend on social media just to be rescued from abuse. Relying on viral video clips to expose domestic violence only highlights how many warning signs get missed at the community level before someone finally hits record.

With the child now in medical care, the focus shifts to the legal system. The National Child Protection Authority and local police have a clear obligation here: ensure the victim gets proper long-term psychological support, and push for the absolute maximum penalty under the law. Anything less sends entirely the wrong message.



TRANSPARENCY OR PRISON: WHY YOUR COMPANY HAS TO REVEAL ITS REAL OWNERS NOW

If you run a registered company in Sri Lanka, it is time to check your filing cabinet before the state checks your credentials. The Department of the Registrar of Companies just dropped a final, zero-tolerance warning: disclose who actually owns and controls your business, or face terrifying penalties that could wipe out your bank account and land you behind bars for a decade.

The relaxed grace period is officially over. The original deadline of September 30 was pushed back to October 21, and that extended window has now slammed shut. Yet, a surprising number of local directors are still treating the paperwork like an optional suggestion. Under the updated Companies Act, keeping secrets about your corporate tree is no longer a slap-on-the-wrist offense; it is a serious crime carrying fines of up to Rs. 1 million, a 10-year prison sentence, or both.

Following severe economic crises and scrutiny from international watchdogs like the Financial Action Task Force (FATF) and the IMF, Sri Lanka is moving aggressively to strip away the corporate cloaks that allow money laundering, tax evasion, and illicit capital flight to thrive. By establishing an unyielding, transparent ledger of real corporate controllers, Sri Lanka aims to prove to foreign investors and multilateral lenders that its financial ecosystem is secure, compliant, and free from the hidden illicit money trails that previously undermined its fiscal stability. The aim is to see the actual names of the human beings pulling the strings and reaping the profits.

Fortunately, you can still protect your company and your personal freedom if you take decisive action right now.

First, figure out every single individual who holds ultimate ownership, voting rights, or significant control over your business operations. Skip the complex legal jargon and pinpoint the actual humans behind the paperwork.

Next, go straight to the official online Beneficial Ownership System hosted by the Department of the Registrar of Companies.

Finally, fill out the required ownership details and submit them immediately without waiting for a formal notice to land on your desk.

The rules of doing business in Sri Lanka have fundamentally changed, and turning a blind eye to compliance will prove catastrophically expensive. Log into the portal, file your true ownership disclosures today, and keep your company out of the courtroom and yourself out of a prison cell.

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AN INSIDE JOB IN COLOMBO: HOW A KEYBOARD AND A LOG-IN DRAINED RS 59.6 MILLION

In a wake-up call for Sri Lanka's corporate sector, the Criminal Investigation Department (CID) arrested a 30-year-old employee of a private firm over a staggering Rs 59.65 million internal fraud.

The arrest was carried out on Friday morning by a specialized CID team operating out of Katunayake, bringing an abrupt end to what investigators describe as one of the largest single-employee accounting betrayals in Colombo this year. According to the Police Media Division, the suspect, a resident of Maligawatte, was not an external hacker breaking through firewalls. Instead, he simply used his own authorized system credentials to alter the company's computerized database from the inside.



By quietly editing internal ledger entries and falsifying records, the employee authorized illegal transfers under the radar. By the time anyone noticed, a total of Rs 59,656,496.84 had been quietly funneled directly into external bank accounts. In a country where small and medium businesses fight tooth and nail for every rupee of liquidity, losing nearly Rs 60 million to an internal leak is a devastating blow.

The scheme began to collapse when executive management picked up on glaring accounting discrepancies during a routine internal audit. Realizing the numbers simply didn't add up, the company lodged a formal complaint alleging criminal breach of trust, fraud, and criminal misappropriation. CID's Financial Investigation Unit 4 moved in quickly, using digital forensics to map the anomalous database edits straight back to the suspect's specific workstation terminal.

What makes this case particularly troubling for local executives is how simple it was. In many Sri Lankan offices, internal security often focuses heavily on keeping external threats out while placing blind trust in internal staff. When a single worker holds unchecked access to financial ledgers without mandatory two-tier approvals or real-time supervisor overrides, company security becomes little more than an illusion.

The suspect remains in custody while CID sleuths dig deeper to find out if he had accomplices inside or outside the firm, and whether any of the missing millions can still be frozen and recovered. This is a hard lesson for businesses across the island; the biggest threat to your ledger could be sitting right at the next desk.

THE END OF UNTRACKED OWNERSHIP: WHY REVENUE LICENCES NOW REQUIRE A TAXPAYER IDENTIFICATION NUMBER

Starting November 1, obtaining or renewing a vehicle revenue licence across Sri Lanka comes with a strict prerequisite: no Taxpayer Identification Number (TIN), no licence sticker.

The nationwide mandate took a concrete step forward when the Western Province Department of Motor Traffic issued detailed instructions to all Divisional Secretaries in the province. Stemming from the Inland Revenue Department's directives under the Inland Revenue Amendment Act, the new rule officially closes the door on untracked vehicle registrations.

For motorists, the mechanics are straightforward but unforgiving. When you apply for or renew a revenue licence using your original Certificate of Registration, you must present your official TIN certificate. If you are transferring vehicle ownership, the rules tighten even further. Applicants submitting MTA 11 and CMT 52 transfer forms are required to provide the TIN certificate belonging to the new owner listed on the CMT 52 form.



To prevent chaos at licensing counters, authorities have introduced some practical flexibility. Licensing officers are instructed to accept both physical hard copies and verified electronic formats, including screen printouts from mobile devices.
However, clerks must maintain logs of every TIN submitted, linking motor traffic databases directly to individual tax files.

The regulation includes specific exemptions for key categories. Individuals under 18 years of age, qualifying foreign nationals residing in the country for fewer than 183 days, individuals whose official TIN applications were formally rejected by the tax authority, diplomatic passport holders, and corporate entities are cleared to proceed without the certificate.

While drivers might view this as another administrative hurdle, it represents a core pillar of the state's broader fiscal strategy. Mandatory TIN verification is no longer confined to motor traffic; it is being aggressively integrated into commercial banking, land transfers, and business registrations.

The government's goal is unambiguous: expand the national tax net by ensuring anyone completing major transactions is registered on official ledgers. If you have been delaying your TIN registration, the grace period is over. Get your documentation in order today orprepare to leave your vehicle parked in the driveway.

RAID AMAZONES SHINES A GLOBAL SPOTLIGHT ON SRI LANKAN TRAILS

In the world of extreme multi-sport endurance, few competitions command the unique prestige, spirit, and global fascination of Raid Amazones. Founded in 2001 by iconic French television personality and adventurer Alexandre Debanne, the event was born out of a visionary concept: creating the world's premier 100% female adventure raid. Debanne sought to build a platform where women could push beyond their perceived physical boundaries while forging deep human connections, immersing themselves in diverse cultures, and championing charitable causes across the globe.

Forget pristine athletics tracks and leisurely strolls. The raid takes teams of two or three through a relentless triathlon of wilderness discipline. Competitors spend days mountain biking through unforgiving terrain, paddling open canoes across unpredictable waters, trail running up steep inclines, and even trying their hand at archery when their arms are already properly jelly-like.

Over the years, this roaming carnival of endurance has set up camp across Guyana, Kenya, Cambodia, Bali, Vietnam, and Mauritius, leaving behind a trail of spent energy and zero carbon footprint, as every team races to raise substantial funds for chosen global charities.





"Questioning The Answers"

RAID AMAZONES...

The standout chapters in the raid history are defined by sheer environmental contrast. Whether navigating dense tropical rainforests or trekking past ancient heritage sites, the athletes face identical expectations: push through the burn, leave no trash behind, and respect the local community. It is part high-octane sporting event, part cultural exchange, and entirely exhausting for anyone watching from the sidelines.

Now, Sri Lanka takes center stage as the backdrop for this extraordinary showcase. Bringing Raid Amazones to the island is a massive win for local sports tourism, throwing a brilliant spotlight on Sri Lanka's lush highlands, rugged coastlines, and rich historical routes. Hundreds of international athletes, media crews, and supporters are touching down, bringing a welcome boost to local hospitality and signaling to the world that the island is vibrant, secure, and ready to host top-tier global spectacles.

Beyond fierce competition, Raid Amazones arrives as a moving celebration of female empowerment and international solidarity. As these formidable women prepare to conquer tea estates, navigate reservoir waters, and cross finish lines with sore legs and triumphant smiles, Sri Lanka stands ready with its signature warmth to witness an unforgettable spectacle unfold.

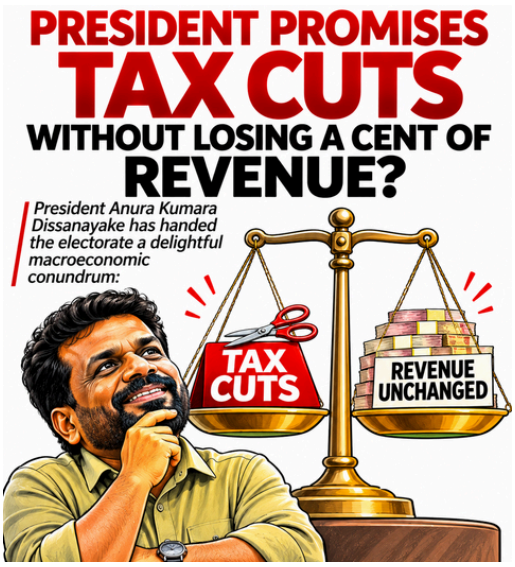
PRESIDENT PROMISES TAX CUTS WITHOUT LOSING A CENT OF REVENUE?

President Anura Kumara Dissanayake has handed the electorate a delightful macroeconomic conundrum: the upcoming Budget will deliver further tax reductions for weary citizens, yet state revenue targets will remain entirely uncompromised. For a country that spent decades watching previous administrations miss their fiscal collections by a comfortable ten percent margin, the announcement sounds like pure financial alchemy.

The President's economic argument rests on a firm defense of his administration's short record. Since taking office, no fresh levies have been slapped onto the public, and selected tariffs have even seen downward revisions. Against historical precedent, where fiscal authorities routinely promised champagne revenues on ginger beer budgets, the current treasury has actually hit its targets while preserving that holy grail of sovereign debt management: a primary budget surplus. In the austere vocabulary of international creditors, maintaining a primary surplus is non-negotiable if Sri Lanka ever hopes to lift the crushing weight of structural debt off its shoulders.

Yet, bridging the chasm between fiscal discipline and household relief is where the mathematics gets sticky. Everyday Sri Lankans facing the unforgiving squeeze of cumulative inflation care remarkably little about primary surplus ratios when their grocery bills remain stubbornly high. The administration clearly recognizes that a populace battered by rising living costs needs tangible breathing room. The dilemma, however, is that every tax cut granted at the retail counter cuts directly into the revenue streams required to keep multilateral lenders satisfied.

To pull off this fiscal magic trick, the state cannot rely on simple goodwill. It must engineer a dramatic expansion of the tax base itself, capturing uncollected revenues through mandatory compliance measures like the digital Taxpayer Identification Number rollout while aggressively plugging systemic leakage.



If compliance surges, lower rates can theoretically yield higher total collections. But if compliance stumbles, cutting tax rates while trying to protect revenue targets becomes an exercise in balancing on a tightrope over an abyss. As the upcoming Budget approaches, economic observers will be watching closely to see whether the administration has discovered a genuine formula for sustainable growth, or merely a very clever way to frame the invoice.

POLICE OPEN FIRE ON THREE-WHEELER, LEAVING TEENAGER CRITICALLY INJURED

What began as routine traffic duty on a Saturday afternoon at Mahakade Junction in Kadawatha swiftly descended into a grave emergency, leaving a sixteen-year-old boy fighting for his life in hospital. According to preliminary reports, police officers stationed along the busy intersection attempted to signal a passing three-wheeler to pull over. When the driver allegedly ignored the officer's command and continued driving past the checkpoint, officers opened fire on the fleeing vehicle. Two bullets tore through the back of the three-wheeler, striking the teenage passenger. The critically injured youth was rushed to the RagamaTeaching Hospital for urgent medical treatment, while Kadawatha Police launched an investigation into the shooting.

While the exact sequence of events remains under active inquiry, the incident inevitably reopens deeply uncomfortable, familiar questions surrounding law enforcement protocols, firearms handling, and the proportional use of force during routine roadside stops. Police officers undeniably operate under high-pressure conditions where split-second decisions must be made, particularly when a driver refuses to obey a lawful order to halt.

However, opening fire with live ammunition on a light vehicle carrying passengers raises fundamental concerns about public safety and tactical necessity. When a failure to obey a traffic signal leads to a teenager sustaining life-threatening gunshot wounds to the back, the threshold for resorting to lethal force demands the most rigorous scrutiny.

For many observers following public safety issues, the pattern feels disquietingly familiar. Incidents where routine traffic encounters escalate into tragic shootings have repeatedly sparked fierce public outrage both locally in Sri Lanka and internationally, most notably in high-profile law enforcement cases across the United States.

In both contexts, the underlying debate centers on the same core issue: whether systemic reliance on aggressive escalation during non-violent infractions creates an unacceptable risk to civilian lives.

These recurring moments serve as stark reminders of how rapidly a routine interaction can turn fatal when firearms are deployed in public spaces.



At the same time, drawing definitive conclusions or assigning outright blame at this early stage would be both premature and irresponsible.

A thorough, independent, and transparent investigation is essential to establish the precise facts of the case. Investigators must determine the exact threat assessment made by the officers on duty, whether clear warnings were issued before weapons were drawn, and whether established police standing orders regarding firearm usage were strictly followed.

Until the official findings are published, the priority remains uncovering the unvarnished truth of what transpired at Mahakade Junction, while a family waits by a hospital bed hoping for a full recovery.



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POLAND'S SIEGE AND GERMANY'S REBELLION: THE YOUTH-LED CRISES SHAKING EUROPE

In Poland, the conflict is taking place outside the Constitutional Tribunal. Riot police surrounded the court building after judges elected by the current parliamentary majority suspended the tribunal's president, Bogdan Swieczkowski, and his deputy. Prime Minister Donald Tusk's centrist government is attempting to reverse years of political interference by the nationalist Law and Justice (PiS) party, which spent eight years packing the bench to secure favorable rulings on illiberal policies. The systemic impasse reached a boiling point when President Karol Nawrocki, a PiS ally, turned his plane around mid-flight from Senegal to challenge the suspensions. For young Polish demonstrators, the police presence and court blockades represent a complete failure of democratic norms, proving that state institutions have become hyper-partisan battlegrounds rather than independent guardians of the rule of law.



Across the border in Germany, the disruption has shifted directly to the streets. Over 100,000 protesters under the banner Gen Z Regelt demonstrated across 34 cities, including Berlin, Frankfurt, Cologne, and Munich. At Brandenburg Gate, students voiced sharp anger over severe funding cuts to universities and social services, which coincide with Chancellor Friedrich Merz's administration directing billions of euros into military rearmament and conscription proposals. Students in Berlin and Hannover highlighted the real-world consequences of these fiscal priorities: lecture halls are physically deteriorating, faculty positions are being eliminated, and young adults are forced into multiple part-time jobs simply to cover soaring rents and basic living expenses.

These twin movements expose how state budgets are increasingly out of touch with public needs. In Poland, political elites are locked in an institutional war over legal strongholds, while in Germany, public funds are allocated toward defence hardware at the expense of basic educational infrastructure.

When state authorities deploy riot police to manage court disputes or dismiss student grievances as public order risks, they ignore the root cause of the unrest: an economic framework that prioritizes military spending and political control over the basic living standards of its younger population.

For Sri Lankan observers, this European unrest carries a sharp sense of recognition.

The sight of citizens confronting state priorities mirrors Colombo's own 2022 Aragalaya, when a generation of Sri Lankans took to the streets to reject systemic mismanagement and an unyielding economic squeeze.

The European Union would do well to take note.

Dismissing youth outrage over soaring living costs and diverted public funds as minor disquiet is a dangerous game. When state budgets prioritize institutional preservation and military apparatuses over basic domestic security, public patience evaporates rapidly.

As Sri Lanka's own recent history proves, when citizens reach their breaking point, even the most established political setups can unravel in an instant.

'NO BACKROOM DEALS – PURE PRAGMATISM'

SEATS AND STRATEGY: JOSH SIMONS PARLIAMENTARY EXIT AND BURNHAM'S PATH TO POWER

The story of Andy Burnham taking the keys to Downing Street is usually framed as a triumphant homecoming, the ultimate victory of regional pragmatism over an insulated Westminster bubble.

For nearly a decade as Mayor of Greater Manchester, Burnham built a distinct power base outside the capital, seizing control of transport networks and clashing openly with central government.

Yet no matter how much momentum Burnham gathered beyond the M25, his road back to national leadership was completely blocked by a hard reality: under British constitutional law, a sitting Mayor cannot hold a seat in the House of Commons.

Worse still, under centuries-old parliamentary procedure, an individual cannot simply run for Parliament without an actual vacancy, and Labour's National Executive Committee held strict control over selection rules.

Enter Josh Simons. To understand how Burnham actually secured his return to the Commons, one has to look directly at the calculated self-sacrifice of a 32-year-old policy strategist. As the former director of the influential think tank Labour Together, Simons had been fast-tracked into Parliament as MP for Makerfield in 2024 and elevated to junior ministerial ranks.

But following bruising local election results in May 2026, Simons came to a stark conclusion: the administration was stuck in incrementalism, and the party needed a major structural reboot.

Rather than clinging to his seat or waiting out the political storm on the backbenches, Simons executed a maneuver rarely seen in modern British politics.

On May 14, 2026, he formally applied for the office of Steward of the Chiltern Hundreds, the archaic legal mechanism used by MPs to vacate their seats. Simons publicly declared that he was resigning his Makerfield seat specifically to clear a by-election runway for Burnham, arguing that the Mayor was the only leader capable of rescuing the party's fortunes. By stepping down without demanding peerages or backroom trade-offs, Simons triggered an immediate parliamentary writ. His public sacrifice effectively forced the party hierarchy's hand, leaving them no choice but to authorize Burnham's candidacy for the June by-election.

Burnham's victory in Makerfield set off a rapid political chain reaction. Within weeks, he mounted an unstoppable leadership bid, earned the endorsement of the overwhelming majority of Labour MPs, and took office as Prime Minister on July 20, 2026. Drawing comparisons to past prime ministerial ascents, Burnham's path stands apart. Where leaders like James Callaghan or Theresa May advanced through traditional Cabinet progression, Burnham staged an outside-in takeover, using regional executive leverage to build public demand, but relying on a backroom ally to open the physical door to Parliament.

While Westminster rumors suggested that Josh Simons surrendered his seat to secure a top advisory desk inside No. 10, those arrangements never materialized. Today, while Burnham commands the floor of the House of Commons as Prime Minister, Simons has returned to private life and high-level policy commentary, operating as an influential external voice in the broader Labour ecosystem.

The historic transition from Greater Manchester to Downing Street proves that while public populism and regional track records build political momentum, it takes the cold, sacrificial gambit of a trusted strategist to turn that momentum into actual power.