the Management Club
The Management Club SINCE 2002
Update
UNDER THE AUSPICES OF THE CHARTERED MANAGEMENT INSTITUTE - UK SRI LANKA BRANCH
SINCE 2002

MONDAY JUNE 01, 2026
www.ft.lk
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About TMC

THE Management Club (TMC), established in 2001 under the auspices of the Chartered Management Institute – UK, Sri Lanka Branch, is a professional forum dedicated to elevating management practices in Sri Lanka to meet international standards. TMC strives to achieve this by offering continuous opportunities for members to engage, network, and participate in diverse programmes focused on professional and personal development across various disciplines in the field of management.

TMC partner hotels: TMC Colombo at Cinnamon Grand Colombo; TMC Mount Lavinia at Mount Lavinia Hotel; TMC Moratuwa at Ranmal Ramadia; TMC Negombo at Camelot Beach Hotel Negombo; TMC Jaffna at J Hotel Jaffna; TMC Partners: HNB, Sri Lanka Insurance Corporation, Media Partner: Daily Financial Times, Service Partners: Nine hearts Colour labs; Sharp Graphics, Service Providers: KFC; Softlogic;Sharp Graphics; Mobitel, Knowledge Partners: KPMG

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Macroeconomic stability and reform: Assessing Sri Lanka's trajectory

A presentation under the topic 'Current economic environment and way forward in Sri Lanka" organised by The Management Club (TMC) of Colombo was held on 26 May at the Cinnamon Grand Colombo.

During the presentation, Advocata Institute Chief Executive Officer and Founder Dhananath Fernando commented on the current economic situation of the country, "Diesel price, even without any taxes, should be Rs.403 but currently the selling price is Rs.392 which is not market reflective. Ideally it has to go up since there is nothing that is sold below cost, if not, someone has to bear the difference"he said. Speaking further, Fernando said that the country went through an economic crisis due to the failure to adjust fuel prices against the rising USD in 2022. He agreed and accepted the fact, that price adjustments corresponding with costs, is not a popular decision, but if that is not done the costs borne by the government will have to be collected through taxes which is the direct source of revenue. He further said that the present subsidising of diesel fuel prices could result in an increased consumption, leading to a dollar out flow adding pressure on the rupee and in turn contributed to depleted dollar reserves. He further said the resulting inflationary impact needs to be reduced by increasing interest rates which curtails economic development. When commercial banks release dollars to the Central Bank for imports, an equivalent amount of money is printed by the Central Bank to purchase dollars,which in turn increases the probability of creating inflation. He further said that as long as there is no dollar inflow (either way of FDI/ Grants/ Fund facilities), the pressure on the rupee will increase.

The middle east crisis has a significant impact on the fuel price escalation but even if there is a cessation of hostilities, it may take two to three months for the fuel production to come back to previous production levels. So he stressed that if a cost reflective fuel price adjustment does not take place, it may lead to a deterioration of public finance, since the state cannot not effect tax increases in such a scenario.

During the presentation which enlightened the audience on important economic issues, hitherto not discussed in detail, Fernando said that it was published in a World Bank Report that 70% of the fuel is consumed by 30% of the wealthiest segment. Therefore, when the highest payment made out of all imports, is to cover the fuel bill, and again when it is subsidised, it mainly assists

TMC Colombo Chairperson Duneeshya Bogoda

Advocata Institute CEO Dhananath Fernando

Guest Speaker Dhananath Fernando (left) with moderator Mahesh Senanayake

From left: Advocata Institute HR Head, Advocata Institute CEO Dhananath Fernando, TMC Colombo Chairperson Duneeshya Bogoda, Project Chairman Ranjith Fernando, TMC Colombo Secretary Shiwanthie Wijesuriya

the people who can afford for such adjustments. The fuel price subsidy amounting to Rs.15- 20 b per month amounting to around Rs.120 b annually, equals the amount paid to the poorest of the poor under the Aswasuma financial assistance scheme. He was of the view that such people need to be cushioned from price escalations to face day to day living expenses.

It has been possible to subsidise fuel prices, since the Government had benefitted from 120% taxes imposed on vehicle imports realising around Rs. 900 b and by generating more income tax and VAT vide expanding the tax net. These factors had helped to convince the IMF of improved revenue collection to enable the release of the next installment in the near future. The revenue loss of 30% from the drop in tourism in March and April this year due to the mid east crisis had been compensated by the increased remittances from Sri Lankans working abroad, mainly from skilled male worker migration. Sri Lanka has a significantly higher percentage of migrated workers vis-à-vis the population compared to other countries. Even though the migrant diaspora have contributed to significant dollar inflows, the aging local population and shrinking birth rates have impacted adversely on the growth of the economy with less skilled workers for employment in local industries.

Explaining the macro-economic situation, Fernando warned remittances from Expatriate Sri Lankans will be constant through formal, legitimate channels as long as they have confidence over the market and state policies. But when the credibility is doubted, exporters and expatriate workers will hold dollar remittances, whilst remittances taking place through informal channels, such as Undiyal and Hawal, causing pressure on existing dollar reserves, leading to the depreciation of the rupee. This resulted in the crisis the country faced in 2021 and 2022. It could not be averted even though several measures were taken to increase the dollar inflows through proper channels. Money printing led to the rupee ending at Rs. 360 per USD and inflation climbing up to 70%. Hence cautioning against such a situation, Fernando said his recommendation is to have proper cost reflective price adjustment for fuel imports by preserving dollar reserves to ward off a financial crisis.

Speaking on a positive note, he explained that it is a far remote chance of another financial crisis like what we experienced in 2022 during the next few years in view of the US dollar reserves currently standing at 6.8 billion. The budget deficit too has come down significantly. He attributed the economic stability to the reforms introduced by the Economic Transformation Act No. 45 of 2024, The Public Financial Management Act No. 44 of 2024, The Public Debt Management Act No. 33 of 2024 and the Central Bank of Sri Lanka Act No. 16 of 2023.

He further explained in detail the meaning of inflation in relation to the market dynamics and confirmed that money printing contributes to this situation as a major factor. Also the money printing will contribute towards an increase in imports which in turn affect the reserves. The fundamental thing that can tackle this situation is to increase the interest rates. So this is a vicious cycle, hence needs to balance carefully and willfully.

While noting the significant developments in the monetary sector achieved through reforms, he observed that no such reforms had taken place for the growth of the economy. The migrant diaspora is a key driver for economic growth not only in terms of the remittances they make, but also in terms of the know-how and knowledge they bring as it happens in India. To harness such knowledge the country needs to do away with constraints caused by factor markets, such as land allocation and distribution encumbrances, and multiple labour regulations. For example there are over twelve or so approvals and certifications are necessary for an investment project approval, and which investor can afford to spend time/ money on those irrational processors. Further in and around western province, the BOI zones which facilitate investments are almost 95% occupied. There are no new investment zones opened up recently in more feasible locations to attract investors. On the other hand, when compared to neighbouring countries, Sri Lanka has failed to introduce a reasonable number of new high revenue earning export products, thereby leveraging only on products of low value which is another reason for the slow economic growth. The other significant reason is the high reliance on diesel and coal to generate power, rather than on renewable sources such as hydro, solar power.

The Chairperson Duneesha Boyagoda gave an introduction of the services rendered by the Management Club (TMC), with branches in Colombo, Mount Lavinia and Jaffna which serves as a dynamic platform for professionals to interact and exchange ideas for professional growth through education, training, skill enhancement and for networking among its members. TMC promotes ethical leadership and modern business practices.

New members of TMC Colombo

DINENDRA Nanayakkara is the Chief Supply Chain Officer of International Distillers Ltd., overseeing end-to-end supply chain operations involving manufacturing, engineering, warehousing, and logistics for a workforce of 250+. With 24 years of experience primarily in manufacturing, he combines financial expertise with operational leadership and an entrepreneurial mindset. He previously served as the Group Risk Manager at IDL, leading internal audit and enterprise risk initiatives with KPMG, and held senior finance roles at Ansell Healthcare and Finlays. He is a member of the Institute of Chartered Accountants of Sri Lanka and CIMA and began his career at Ernst & Young. He is recognised for strategic leadership.

Nalinda Jayalath is the Country Manager for Sri Lanka and Maldives at Bacardi International, with over 15 years in travel, retail and premium beverages. He has held senior roles across supply chain, category management, and liquor buying, consistently driving volume and EBIT growth in competitive markets. Previously, he was the Commercial Manager at Dufry Lanka, managing product portfolios like liquor, tobacco, confectionery, perfume, and luxury brands while negotiating with 1,500+ suppliers. He has an MBA from the University of Wales, he also serves as the President of the MBA Society – Sri Lankan Chapter for the University. He is recognised for his commercial acumen, negotiation skills, and results-driven leadership.

Rajiv Dassanayake brings over 26 years of experience in sales, business development, marketing, and project management across FMCG, in retail and in duty-free outlets, and in service industries. A results-driven marketer, he combines hands-on expertise with strong administrative, communication, and leadership skills. Known for honesty, reliability, and collaboration, he excels in managing multiple projects and extended teams within deadlines and budgets. An innovative thinker with strong interpersonal and organisational skills, he values customer focus, quality, creativity, and continuous improvement. His high-energy, disciplined approach and commitment to leadership define his professional ethos.

Eranka De Silva is the Marketing Manager at International Distillers Ltd., with over 14 years of experience in FMCG, B2B, and B2C sectors, specialising in trade marketing and go-to-market execution. He has expertise in channel strategy, distributor and retailer engagement, in-store promotions, and sales alignment to drive revenue and market share growth. Previously, he led premium on-trade sales at DCSL Breweries Lanka Ltd., achieving consistent growth across HoReCa channels. His prior leadership roles at AIA (Sri Lanka) and Softlogic Life covers exceeding sales targets and thereby building high-performing teams. De Silva is recognised for strategic planning, market insight, and cross-functional leadership.

Punsara Aravinda is the Founder and Managing Director of CIAP Ltd., and is a Class I Marine Engineer by profession with over 20 years of international experience spanning both on-sea and shore-based roles.He specialises in ship repair, vessel maintenance, marine engineering operations, and technical management. His career reflects a strong blend of hands-on technical expertise and execution-focused leadership across global maritime environments. He holds an MBA and a UK Class I Certificate of Competency. In addition, he serves as a Visiting Lecturer at CINEC Maritime Campus, contributing to the development of future maritime professionals.

Vellat Nandakumar Nair is the Group Chief Financial Officer of International Distillers Ltd., a role he has held since 2013. A seasoned finance professional, he is a Fellow of CIMA (UK) and a Chartered Global Management Accountant (CGMA) with extensive experience in corporate finance, governance, and strategic financial leadership. He holds an MBA from the University of Lincoln, UK. Mr. Nair has also strengthened the financial controls, driven by performance management, and supported the Group's growth strategy. He is an active member of Colombo Swimming Club, CR & FC Club, and the Sri Lanka India Society. He is recognised for his disciplined financial stewardship and excellence.

Bhashaka Gunathilaka is an Executive, seasoned in finance and in strategy currently serving as a Director – Finance and Strategy at CIAP Ltd., a leading corporate financial architecture and strategic growth initiatives within Sri Lanka's marine engineering sector. He holds an MBA from the Postgraduate Institute of Management and is professionally qualified with ACMA, CGMA, and MAAT. Counting over 20 years of corporate experience across Sri Lanka, the UAE, and Indonesia, he has built up an extensive expertise in corporate finance, capital structuring, IFRS-compliant reporting, and enterprise transformation. He is recognised for aligning disciplined capital allocation for sustainable business expansion and excellence in governance. Outside his professional commitments, Gunathilaka is an enthusiastic adrenaline off-roader, reflecting his passion for taking challenges and showing resilience.

TMC Mt. Lavinia reignites with vision for high-value business collaboration

THE Management Club (TMC) Mt. Lavinia recently marked a significant milestone in its journey of professional engagement, hosting a dynamic networking event at the iconic Governor's Terrace, Mt. Lavinia Hotel. Held on 30 April, the gathering brought together a vibrant cohort of management professionals and business leaders, signaling the official launch of the club's highly anticipated "Reignite" phase.

Against the backdrop of the Indian Ocean, the evening was charged with an electric energy that transcended traditional corporate networking. The focus of the event was clear: to move beyond casual fellowship and establish a structured roadmap designed to deliver tangible, high-value outcomes for its membership.

Moving beyond networking: A roadmap for growth

The evening proved to be a powerhouse of ideas, with members actively shaping the strategic direction of the club. Rather than just a social gathering, the session yielded actionable insights and a collective commitment to driving mutual business growth.

Key pillars established for TMC Mt. Lavinia's upcoming calendar include,

- Direct business opportunities

Transforming the club's internal network into an active marketplace where members can trade, pitch, and support each other's enterprises.

- Strategic collaborations

Fostering cross-industry partnerships between member-led businesses to spark innovation and market expansion.

- High-value introductions

Leveraging the collective, influential contacts of the TMC network to open doors that would otherwise remain closed.

- Consistent momentum

A unanimous agreement to sustain this vibrant energy through a structured calendar of regular, impactful sessions.

A platform for tomorrow's leaders

As Sri Lanka's corporate landscape demands greater agility and stronger professional alliances, platforms like TMC play a crucial role. The success of the "Reignite" launch underscores TMC Mt. Lavinia's position as a vital hub for executives who want to look beyond the horizon.

"The energy at the Governor's Terrace was a testament to what happens when driven professionals align with a common purpose," stated the club's leadership team. "We aren't just planning events; we are building an ecosystem where corporate leaders can find genuine value, strategic partnerships, and a community that propels them forward."

With the groundwork laid on 30 April, the executive committee is already transforming these brainstormed concepts into structured programs. For management professionals looking to expand their footprint, sharpen their strategic edge, and belong to a community committed to progress, TMC Mt. Lavinia is proving that its best chapters are yet to be written.

For professionals and corporate leaders interested in being a part of this growing ecosystem and exploring membership opportunities, connect with The Management Club (TMC) to stay updated on upcoming initiatives.