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BILATERAL RELATIONS

INDIA - SRI LANKA

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INTRODUCTION

India–Sri Lanka relations are among the closest and most enduring bilateral relationships in the Indian Ocean region, founded on centuries of civilizational, cultural, religious, economic and people-to-people connections. Separated by the Palk Strait, the two countries share important strategic interests in the Indian Ocean and cooperate extensively on economic development, maritime security, connectivity, energy, tourism, education and regional stability.

The relationship has gained renewed momentum in recent years. Sri Lankan President Anura Kumara Disanayaka made India his first overseas destination after assuming office in December 2024, while Prime Minister Narendra Modi undertook a State visit to Sri Lanka in April 2025. The two countries have since strengthened cooperation in trade and investment, defence, energy, digitalisation, infrastructure, health and development, with physical, digital and energy connectivity emerging as key pillars of the partnership.

Economic engagement continues to expand, with bilateral merchandise trade reaching approximately US$7.18 billion in FY 2025–26. India is also a major investor and development partner, with cumulative Indian investment in Sri Lanka reaching approximately US$2.94 billion through 2025 and India's overall development cooperation portfolio exceeding US$7.5 billion, including around US$880 million in grants.

Tourism, connectivity and people-to-people relations remain central to the partnership. India was Sri Lanka's largest source of tourists in 2025, with approximately 531,511 Indian arrivals, while India has continued to support Sri Lanka's infrastructure, renewable energy, housing, railways, healthcare and digital transformation. Following Cyclone Ditwah in 2025, India further demonstrated its role as a close partner by providing emergency assistance and announcing a US$450 million reconstruction and rehabilitation package.



HISTORY

Sri Lanka possesses a rich and continuous history extending from prehistoric human settlement to the emergence of sophisticated ancient kingdoms, maritime trade networks and a distinctive Buddhist civilisation. Its geographical position in the Indian Ocean, close to the southern coast of India, facilitated centuries of cultural, religious, commercial and intellectual interaction with the Indian subcontinent and the wider Indian Ocean world. India and Sri Lanka today describe their relationship as having a shared civilizational and historical heritage of more than 2,500 years.

Ancient History & Civilizational Foundations

Archaeological research indicates that Sri Lanka has an exceptionally ancient human history, with prehistoric evidence extending back approximately 125,000 years. Over time, settled communities developed increasingly sophisticated agricultural, technological and social systems. The ancient civilisation of Sri Lanka became particularly renowned for its advanced irrigation systems, urban centres, architecture, sculpture, literature and religious institutions.

The arrival of Buddhism from India during the reign of King Devanampiya Tissa in the 3rd century BCE marked a defining moment in Sri Lankan history. According to the long-established Sri Lankan and Indian historical tradition, Arahat Mahinda, associated with Emperor Ashoka, travelled to Sri Lanka and introduced the teachings of Buddhism. Sanghamitta Theri subsequently brought a sapling of the sacred Bodhi Tree from India. This encounter laid the foundation for the development of Sri Lanka as one of the world's major centres of Theravada Buddhist learning and practice.

The Kingdom of Anuradhapura emerged as one of the most important centres of ancient Sri Lankan civilisation. For many centuries, Anuradhapura developed as a political, religious and economic centre, supported by extensive irrigation works, monasteries and monumental architecture. The period witnessed the construction and development of major religious and cultural sites and the growth of a sophisticated hydraulic civilisation.

Sri Lanka's ancient civilisation subsequently flourished under the Kingdom of Polonnaruwa, particularly during the 11th and 12th centuries. King Vijayabahu I established Polonnaruwa as the capital after defeating South Indian forces, while rulers such as Parakramabahu I expanded irrigation, agriculture, architecture and state administration. The monumental remains of Anuradhapura, Polonnaruwa and Sigiriya continue to provide important evidence of Sri Lanka's ancient architectural and cultural achievements.

India–Sri Lanka Historical & Cultural Connections

India has remained an important influence on Sri Lanka's historical development through religion, language, literature, trade, migration and cultural exchange. The introduction and development of Buddhism created one of the deepest enduring links between the two countries, while contacts across the Palk Strait also facilitated commercial and cultural interaction over centuries. India and Sri Lanka's official bilateral narrative identifies Buddhism, together with their broader historical, cultural, spiritual and linguistic connections, as a central foundation of their contemporary relationship.

The island also developed longstanding Tamil and Hindu cultural connections with South India. Tamil-speaking communities have played an important role in Sri Lanka's history, particularly in the northern and eastern regions, while Hindu religious traditions and temples form an integral part of the island's multicultural heritage. Sites such as Koneswaram Temple in Trincomalee, Ketheeswaram Temple in Mannar and Nagapooshani Amman Temple in Nainativu remain important places of Hindu worship and pilgrimage.

European Colonial Period

From the 16th century onwards, Sri Lanka entered a new phase of European colonial competition. The Portuguese arrived in 1505 and established control over significant parts of the coastal regions. The Portuguese were subsequently displaced by the Dutch, who controlled much of the maritime territory from the 17th century. In 1796, the British took control of the Dutch territories, and following the 1815 Kandyan Convention, the Kingdom of Kandy was incorporated into British rule, bringing the entire island under British control.

The colonial period profoundly transformed Sri Lanka's political, economic and social structures. British rule introduced new systems of administration, communications, education and Western medicine, while plantation agriculture particularly coffee, tea, rubber and coconut—became central to the island's economy. The development of railways, ports and commercial infrastructure also strengthened Sri Lanka's integration into international trade.

Independence & the Modern Republic

Sri Lanka, then known as Ceylon, achieved independence from British rule on 4 February 1948, becoming an independent Dominion within the Commonwealth. India and Ceylon also formally established diplomatic relations in 1948, marking the beginning of their modern bilateral relationship.

A major constitutional transformation took place on 22 May 1972, when Ceylon became a republic and adopted the name Sri Lanka. The new constitutional order ended Dominion status and established the country as a sovereign republic. In 1978, Sri Lanka adopted its present presidential system of government.

A Living Historical & Civilizational Heritage

Sri Lanka's history continues to shape its contemporary identity and its relationship with India. Ancient Buddhist sites, Hindu temples, archaeological cities, literary traditions and shared pilgrimage routes remain important elements of the cultural relationship between the two countries. In contemporary times, India and Sri Lanka have continued to invest in the preservation and promotion of this shared heritage through archaeological cooperation, cultural exchanges, religious tourism and heritage conservation.

The historical relationship has therefore evolved from ancient maritime and civilizational exchanges into a modern partnership encompassing culture, religion, education, tourism, trade, connectivity, development cooperation and strategic engagement. The depth and continuity of these historical connections remain an important foundation for the contemporary India–Sri Lanka relationship.

INDIAN INTERVENTION IN THE SRI LANKAN CIVIL WAR

Background to India's Involvement

The ethnic conflict in Sri Lanka intensified during the 1970s and 1980s, particularly over questions concerning political representation, language, regional autonomy and the rights of Tamil communities. The Liberation Tigers of Tamil Eelam (LTTE) emerged as the most powerful armed Tamil separatist organisation and sought the establishment of an independent Tamil Eelam in the north and east of Sri Lanka.

The conflict had significant implications for India because of Sri Lanka's geographical proximity, the movement of refugees across the Palk Strait and strong historical, cultural and familial links between Sri Lanka's Tamil population and the Indian state of Tamil Nadu. India initially sought to encourage a political settlement while also engaging with the humanitarian consequences of the conflict.

India's Humanitarian Intervention in 1987

By 1987, fighting had intensified in northern Sri Lanka, particularly around Jaffna. As the humanitarian situation deteriorated, India undertook humanitarian assistance, including the delivery of relief supplies. This was followed by intensive diplomatic negotiations between India and Sri Lanka.

On 29 July 1987, Indian Prime Minister Rajiv Gandhi and Sri Lankan President J. R. Jayewardene signed the Indo-Sri Lankan Accord in Colombo. The Accord sought to address the ethnic conflict while preserving Sri Lanka's unity, sovereignty and territorial integrity. It recognised Sri Lanka as a multi-ethnic and multi-lingual state and envisaged political arrangements for greater regional autonomy.

The Accord also provided for the cessation of hostilities, the surrender of arms by militant groups, the withdrawal of military personnel from specified areas and the creation of an institutional framework for addressing the political aspirations of Tamil-speaking communities. The proposed devolution arrangements subsequently became closely associated with the 13th Amendment to the Constitution of Sri Lanka, which established Provincial Councils.

Deployment of the Indian Peace Keeping Force

Following a request from the Sri Lankan Government for Indian military assistance in implementing the Accord, India deployed the Indian Peace Keeping Force (IPKF) to Sri Lanka. The initial purpose of the deployment was to facilitate the implementation of the peace agreement, oversee the surrender of weapons and assist in creating conditions for the return of civilians to their homes. Official Indian military history records that the operation was designated Operation Pawan.

The implementation of the Accord, however, proved extremely difficult. The LTTE did not surrender its weapons as envisaged, and disagreements between the organisation and the Indian authorities escalated into armed confrontation. The IPKF consequently moved from a peacekeeping and disarmament role into sustained counter-insurgency operations against the LTTE.

Operation Pawan and Conflict with the LTTE

In October 1987, the IPKF launched Operation Pawan, including military operations aimed at establishing control over Jaffna and disarming the LTTE. The conflict subsequently expanded beyond the Jaffna Peninsula as LTTE forces adopted guerrilla tactics.

The Indian Army faced considerable operational challenges, including difficult terrain, unfamiliarity with the LTTE's methods of warfare and the absence of a durable political settlement acceptable to all parties. Indian government military history records that the operation ultimately developed into a prolonged counter-insurgency campaign and that a purely military solution could not resolve the underlying political conflict.

The IPKF's operations also generated significant controversy and allegations concerning civilian casualties and human-rights violations. These allegations remain an important part of the historical assessment of India's intervention and should be acknowledged carefully rather than presented as uncontested findings.

Withdrawal of the IPKF

The political circumstances in Sri Lanka changed following the election of President Ranasinghe Premadasa in 1988. His government sought the withdrawal of the IPKF, while political pressure for withdrawal also developed within India.

Following negotiations between the two governments, the IPKF withdrawal was completed in March 1990. Official Indian military history records that the withdrawal followed discussions between India and Sri Lanka beginning in September 1989.

The intervention therefore ended without achieving a comprehensive political settlement to Sri Lanka's ethnic conflict. Nevertheless, the period remains a significant chapter in India's regional security policy and in the history of India–Sri Lanka relations.

Rajiv Gandhi Assassination and India's Position on the LTTE

India's relationship with the LTTE deteriorated further following the assassination of former Prime Minister Rajiv Gandhi on 21 May 1991. The LTTE was subsequently banned in India and remains listed by the Government of India under the country's counter-terrorism framework. The Ministry of Home Affairs currently lists the Liberation Tigers of Tamil Eelam (LTTE) among terrorist organisations under the Unlawful Activities (Prevention) Act.

The assassination had a profound impact on India's approach to the Sri Lankan conflict. India subsequently avoided direct military intervention while continuing to support a political and peaceful resolution of the ethnic question.

From Military Intervention to Diplomatic Engagement

Following the IPKF withdrawal, India gradually shifted towards a policy centred on non-intervention, political dialogue, humanitarian assistance and support for a negotiated settlement. During the later stages of the Sri Lankan conflict, India consistently emphasised the importance of protecting civilians and finding a political solution within a united Sri Lanka.

After the Sri Lankan Government's military defeat of the LTTE in May 2009, India's engagement increasingly focused on reconstruction, rehabilitation and reconciliation. India supported programmes involving housing, railways, healthcare, education, infrastructure, de-mining and livelihood restoration for communities affected by the conflict. The Ministry of External Affairs describes India's post-2009 engagement as encompassing reconstruction and rehabilitation of internally displaced persons and support for a durable political settlement.

Legacy of the Intervention

The Indian intervention of 1987–1990 remains one of the most consequential and complex episodes in modern India–Sri Lanka relations. It demonstrated the challenges of combining military intervention with a political peace process and highlighted the strategic, humanitarian and domestic dimensions of India's engagement with its neighbouring countries.

The experience also influenced India's subsequent approach to Sri Lanka, with greater emphasis placed on diplomatic engagement, development cooperation, humanitarian assistance, maritime security and respect for Sri Lanka's sovereignty and territorial integrity.

The historical legacy remains significant. During Prime Minister Narendra Modi's April 2025 visit to Sri Lanka, he paid tribute at the IPKF Memorial in Colombo, remembering Indian soldiers who lost their lives in what the Prime Minister described as their service to peace, unity and Sri Lanka's territorial integrity.

Today, India and Sri Lanka have moved considerably beyond the period of military intervention. Their contemporary partnership is increasingly focused on economic development, connectivity, energy, defence cooperation, maritime security, digital transformation, tourism and people-to-people relations. In their recent bilateral engagements, both governments have emphasised mutual security concerns, maritime cooperation, counter-terrorism, intelligence sharing, disaster management and regional stability.



CULTURE

India and Sri Lanka share a civilizational, cultural, religious and linguistic relationship spanning more than 2,500 years. Buddhism remains a central pillar of this connection, tracing its roots to the 3rd century BCE when the teachings of the Buddha were introduced to Sri Lanka from India. This shared Buddhist heritage continues to strengthen spiritual and people-to-people ties between the two countries.

The cultural relationship extends across Buddhism, Hindu traditions, languages, literature, music, dance, education and the arts. The Cultural Cooperation Agreement signed in 1977 provides an institutional framework for cultural exchanges, while pilgrimages, academic programmes, exhibitions and cultural festivals continue to deepen mutual understanding.

Contemporary cultural cooperation has expanded through heritage preservation, Buddhist scholarship, tourism and people-to-people exchanges. Recent initiatives include India's support for the Anuradhapura Sacred City Complex and the February 2026 exposition of the sacred Devnimori Buddhist relics in Colombo, which attracted more than one million devotees. These initiatives reflect the continuing strength and relevance of the shared cultural heritage between India and Sri Lanka.



ECONOMY

India and Sri Lanka share a dynamic and expanding economic partnership supported by geographical proximity, the India–Sri Lanka Free Trade Agreement, investment, tourism, infrastructure and growing connectivity. The ISFTA, in force since 2000, has played an important role in expanding bilateral trade and strengthening commercial linkages between the two countries.

Bilateral merchandise trade reached approximately US$7.18 billion in FY 2025–26, comprising US$5.52 billion of Indian exports to Sri Lanka and US$1.66 billion of Sri Lankan exports to India. Indian investment in Sri Lanka has also expanded significantly, with cumulative investment reaching approximately US$2.94 billion through 2025 across sectors including energy, tourism, manufacturing, telecommunications, banking and infrastructure.

Economic cooperation is increasingly extending to renewable energy, infrastructure, digital and financial connectivity and sustainable development. India's broader development partnership with Sri Lanka exceeds US$7.5 billion, while recent initiatives such as the Sampur Solar Power Project, railway modernisation and efforts to strengthen INR–LKR trade settlement demonstrate the evolving depth of the economic relationship.

Tourism further strengthens the commercial relationship, with India remaining Sri Lanka's largest source market in 2025, contributing approximately 531,511 tourist arrivals. Together, trade, investment, connectivity, energy and tourism are positioning India–Sri Lanka economic relations as an increasingly important component of the wider bilateral partnership.



DEVELOPMENT CO-OPERATION

India's development partnership with Sri Lanka is one of the most important pillars of the bilateral relationship, with projects guided by the priorities of the Government and people of Sri Lanka. India's development assistance extends across all 25 districts and covers housing, transport, healthcare, education, livelihoods, agriculture, renewable energy, infrastructure, capacity building and community development. India's grant assistance currently stands at approximately US$880 million, while its broader developmental partnership with Sri Lanka has a portfolio of over US$7 billion.

A major focus of India's cooperation has been people-centric development. Under the flagship Indian Housing Project, close to 50,000 houses have already been constructed and handed over, with another 10,000 houses under construction under Phase IV. India also supports High Impact Community Development Projects covering areas such as education, healthcare, water, livelihoods and community infrastructure. The High Impact Community Development Projects framework was renewed in 2025 for another five years, with more than 50 projects already completed and 21 projects underway.

Infrastructure and connectivity remain major components of the partnership. Indian assistance has supported the Northern Railway, railway-track rehabilitation, road connectivity and other infrastructure projects. In 2025, India and Sri Lanka advanced projects including the Maho–Omanthai railway track upgrade and signalling works on the Maho–Anuradhapura railway line. Cooperation has also expanded into renewable energy, including the 120 MW Sampur Solar Power Project and the installation of 5,000 solar rooftop systems at religious institutions across Sri Lanka.

Development cooperation has increasingly incorporated healthcare, digital transformation and capacity building. India's assistance includes the island-wide Suwa Seriya emergency ambulance service, healthcare infrastructure and medical facilities, while cooperation in digital transformation and skills development is expanding. During Prime Minister Narendra Modi's April 2025 visit, India announced a comprehensive capacity-building programme covering 700 Sri Lankan citizens annually, alongside support for digitalisation and other institutional initiatives.

India's development partnership also demonstrated its importance following Cyclone Ditwah in November–December 2025. Under Operation Sagar Bandhu, India provided emergency relief, rescue and medical assistance and subsequently announced a US$450 million reconstruction and rehabilitation package, comprising US$350 million in concessional Lines of Credit and US$100 million in grants. The package covers road, railway and bridge connectivity, housing and water supply, health and education, agriculture and disaster preparedness. By late 2026, the Indian Armed Forces had successfully built and operationalised functional modular Bailey bridge units across critical severed arteries, restoring transport stability and demonstrating the time-bound, delivery-oriented execution of bilateral assistance.

SHARED TOURISM

India and Sri Lanka share strong tourism ties rooted in their common Buddhist, Hindu and civilizational heritage, geographical proximity and growing connectivity. India stood as Sri Lanka's largest source market for international tourist arrivals in 2025, contributing approximately 531,000 visitors, or 22.5% of total arrivals. This upward trajectory consolidated firmly through 2026, driven by a surge in regional travel trade partnerships and an expansive airline frequency exceeding 80 weekly direct flights.

Maritime connectivity has also expanded. The Nagapattinam–Kankesanthurai passenger ferry resumed in August 2024 and successfully carried around 52,000 cumulative passengers by late 2026. The Government of India extended its dedicated Viability Gap Funding framework into a third consecutive year to improve the service's operational affordability and long-term sustainability, while institutional discussions progress on a proposed Rameswaram–Talaimannar ferry connection.

India and Sri Lanka are also developing tourism around their shared religious and cultural heritage, including the Buddhist Circuit and Sri Lanka's Ramayana Trail. Enhanced air and maritime connectivity, pilgrimage tourism and cultural exchanges are strengthening people-to-people links and creating new opportunities for the tourism sectors of both countries.



SECURITY

India and Sri Lanka share closely interconnected security interests arising from their geographical proximity and their strategic location in the Indian Ocean Region. Their cooperation encompasses defence, maritime security, counter-terrorism, intelligence and information sharing, combating narcotics trafficking and organised crime, humanitarian assistance and disaster relief. Both countries have reaffirmed their commitment to maintaining a free, open, safe and secure Indian Ocean and to ensuring that their territories are not used in ways detrimental to the security of the other.

Defence cooperation has expanded through regular high-level engagements, annual Defence Dialogue, military training, ship visits and bilateral exercises. The annual SLINEX naval exercise and MITRA SHAKTI army exercise strengthen interoperability and exchange of operational experience between the two armed forces. The latest editions were held in Colombo in August 2025 and in India in November 2025, respectively. In April 2025, India and Sri Lanka also signed an MoU on Defence Cooperation, providing a broader framework for strengthening defence engagement, training, exercises, capacity building and related cooperation.

Maritime security and maritime domain awareness have become particularly important areas of bilateral cooperation. India supported the establishment of Sri Lanka's Maritime Rescue Coordination Centre (MRCC) through approximately US$6 million in grant assistance, while an Indian Navy Dornier maritime surveillance aircraft operated in Sri Lanka from 2022 to 2025 to strengthen maritime surveillance capabilities. The two countries also cooperate in hydrography, maritime surveillance and coordinated responses to illicit activities at sea.

India and Sri Lanka are also strengthening cooperation against terrorism, drug trafficking, money laundering and other transnational security threats through training, intelligence and information sharing and enhanced institutional coordination. Cooperation between the Indian and Sri Lankan navies has contributed to the interception of vessels involved in narcotics trafficking in the Indian Ocean. The Colombo Security Conclave, headquartered in Colombo, has emerged as an important regional platform for cooperation in maritime security, counter-terrorism, cyber security, combating smuggling and organised crime, and humanitarian assistance and disaster relief.

Humanitarian assistance and disaster response form another important dimension of the security partnership. India has repeatedly acted as a first responder during crises in Sri Lanka, including during the 2022 economic crisis and following Cyclone Ditwah in 2025. Defence cooperation increasingly incorporates disaster-response training, joint exercises, relief operations and sharing of best practices, reflecting the broader understanding of security between the two countries.

GRANTS TO SRILANKA BY INDIA AND OTHER CO-OPERATION

India's development partnership with Sri Lanka is a major pillar of bilateral relations, guided by the priorities of the Sri Lankan people and Government. India's grant assistance currently stands at around US$880 million, while its broader development partnership exceeds US$7.5 billion and extends across all 25 districts. Cooperation covers housing, healthcare, education, infrastructure, livelihoods, agriculture, renewable energy and digital development.

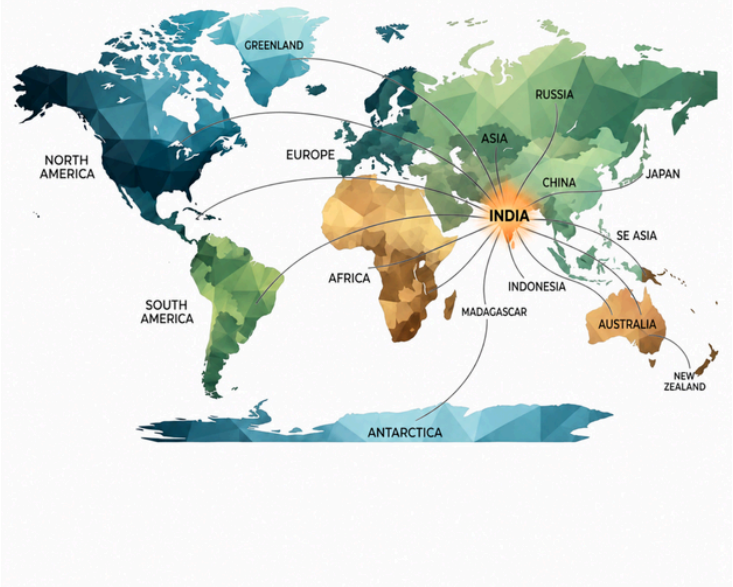
The flagship Indian Housing Project has committed support for 60,000 houses, with 46,000 houses under the first two phases completed and additional housing being delivered under Phases III and IV. India is also implementing 600 houses across all 25 districts through the Model Village Housing Project, alongside numerous High Impact Community Development Projects addressing community-level needs.

Grant cooperation has expanded into healthcare, education, renewable energy and digital transformation, including smart classrooms, medical infrastructure, hybrid renewable-energy projects and the Sri Lanka Unique Digital Identity initiative. The HICDP framework was renewed in November 2025 for another five years, with 21 projects worth over SLR 7 billion under implementation.

Following Cyclone Ditwah, India announced a US$450 million reconstruction and recovery package, including US$100 million in grants, supporting connectivity, housing, water supply, health, education, agriculture and disaster preparedness. These initiatives reflect India's continuing shift towards a comprehensive, people-centric development partnership with Sri Lanka.



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