

**GOVERNMENT OF INDIA
MINISTRY OF EXTERNAL AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO-3379
TO BE ANSWERED ON 05/08/2022**

ECONOMIC CRISIS IN SRI LANKA

3379.DR. M.P. ABDUSSAMAD SAMADANI
SHRI RAKESH SINGH
SHRIMATI SAJDA AHMED
SHRI DEEPAK BAIJ

Will the Minister of **EXTERNAL AFFAIRS** be pleased to state:

- (a) whether a situation of political instability has arisen in the neighbouring country Sri Lanka and if so, the details thereof;
- (b) whether any evaluation of economic loss has been made to gauge the effect of the said crisis on India and if so, the outcome thereof;
- (c) whether the Government has noticed any difficulties faced by India due to the said crisis in Sri Lanka and if so, the details thereof;
- (d) whether Sri Lanka Government has sought any kind of help from the Indian Government and if so, the details thereof;
- (e) the details of assistance/aids including essential items/medicines sent by Indian Government to Sri Lanka during the recent crises there; and
- (f) the number of persons/families who fled to India from Sri Lanka during recent crisis along with the steps initiated by the Government to ensure the safety of Indians there?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS
(SHRI V. MURALEEDHARAN)

(a) to (f) As a neighbour and close friend, India continues to monitor the evolving economic situation and other developments in Sri Lanka.

In the context of Sri Lanka, the bilateral economic and commerce partnership has witnessed considerable expansion in recent years and the various trade and bilateral agreements between India and Sri Lanka continue to remain in force.

Government of India accords utmost priority to ensuring the safety and security of all Indians abroad. Our Missions and Posts in Sri Lanka are dedicated to the overall welfare including ensuring safety and security of Indians in Sri Lanka. Any matters related to the security of Indians is taken up with the host government wherever necessary for action on priority basis.

India continues to assist Sri Lanka in its economic development as also support it in overcoming its economic challenges, under India's 'Neighbourhood First' policy. In January 2022, India extended a US\$ 400 million currency swap to Sri Lanka under the SAARC Framework and deferred successive Asian Clearing Union (A.C.U.) settlements till July 6, 2022. A Line of Credit of US\$ 500 million was extended to Sri Lanka for importing fuel from India. In addition, India has extended a credit facility of US\$ 1 billion for the procurement of food, medicines and other essential items from India. Humanitarian assistance was also provided to Sri Lanka by gifting essential medicines worth about INR 6 crores, 15,000 litres of kerosene oil and US \$ 55 million LoC for procurement of Urea fertilizer. Government of Tamil Nadu has contributed rice, milk powder and medicines worth US\$ 16 million, as part of the larger Indian assistance effort.
