

# FM for stronger trade ties with Sri Lanka

PRASANTA SAHU  
New Delhi, November 2

**WITH FRESH CHALLENGES** emerging due to conflict in West Asia, finance minister Nirmala Sitharaman on Thursday said India and Sri Lanka should have some sort of economic integration to ensure no break in supply chains and foreign exchange crisis.

After the Russia-Ukraine war broke out last year, Sri Lanka faced one of its worst economic crises in recent decades with petrol pumps drying up and food shortages. The crisis was aggravated by a foreign exchange crisis as the country ran out of forex reserves. India stepped in with assistance worth \$5 billion without any conditions which helped the country come out of the crisis gradually.

Sitharaman said global multilateral treaties are now receding with countries expressing greater interest in regional get-togethers and bilateral to protect their



economies.

"Now, should India and Sri Lanka also benefit from such an arrangement? I would think a big yes because there are so many commonalities and opportunities," said the minister addressing the India-Sri Lanka Business Summit in Colombo. She asked the India Inc and Sri Lankan industry bodies to work towards some sort of economic integration to ensure that supply chains are effectively managed and no foreign exchange crisis took place.

Sri Lanka is one of the twenty-two countries including those lacking US dollar reserves, which were exploring bilateral trade with India in rupee.