

# India announces ₹4,850 cr line of credit for Maldives

Modi holds talks with Muizzu, says proud to be the most trusted friend of the Maldives

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India is proud to be the most trusted friend of the Maldives, Prime Minister Narendra Modi said on Friday after announcing a ₹4,850 crore line of credit to the island nation. Modi made the remarks after holding wide-ranging talks with Maldivian President Mohamed Muizzu, focusing on consolidating cooperation in areas of trade, defence, and infrastructure.

The prime minister's visit marked a major turnaround in India-Maldives ties after a spell of unease. Modi also announced that the two countries would work towards finalising a bilateral investment treaty and that negotiations for a free trade pact have already started.

The Maldives holds an important place in India's "Neighbourhood First" policy and MAHASAGAR (Mutual and Holistic Advancement for Security and Growth Across Regions) vision, the prime minister said. Modi said India has decided to provide a line of credit of \$565 million (₹4,850 crore) to the Maldives. Mutual cooperation in the field of defence and security is a testament to mutual trust, he said. India will always support the Maldives to strengthen its defence capabilities, Modi added.



**Prime Minister Narendra Modi at the President's Office with Maldivian President Mohamed Muizzu in Male on Friday**

PHOTO:@PRESIDENCYMV/X

Modi landed in Male this morning to a warm welcome with Muizzu and a number of top ministers of his government receiving the prime minister at the Velena international airport, reflecting the importance Male attached to the trip.

Hours later, Modi was accorded a colourful ceremonial welcome and a guard of honour at the iconic Republic Square.

"Deeply touched by the gesture of President Muizzu to come to the airport to welcome me. I am confident that India-Maldives friendship will scale new heights of progress in the times to come," Modi said in a social media post.

The two leaders held a one-on-one

meeting before settling down for delegation-level talks. The turnaround in the bilateral ties assumes significance as Muizzu, known to be close to China, came to power in November 2023 on the back of an "India Out" campaign.

His policies in the first few months of his presidency resulted in severe strain in the ties. Within hours of his oath, he had demanded the withdrawal of Indian military personnel from his country. Subsequently, India replaced the personnel with civilians. The Indian military personnel were deployed to the Maldives to operate helicopters and aircraft, which were used for humanitarian and rescue operations.