

DEPARTMENT OF HISTORY

II M A (III-SEMESTER)

CORE PAPER X : INDIA AND HER NEIGHBOURS (18MHI32C)

UNIT III

1. BHUTAN–INDIA RELATIONS

Indian PM [Narendra Modi](#) meets with Bhutanese PM [Tshering Tobgay](#)

The **bilateral relations** between the [Himalayan Kingdom of Bhutan](#) and the [Republic of India](#) have been traditionally close and both countries share a '[special relationship](#)',^{[1][2]} making Bhutan a [protected state](#), but not a [protectorate](#), of India.^[3] India remains influential over Bhutan's foreign policy, defence and commerce. In 2012–13 fiscal, India's budgetary support to the Kingdom country stood at US\$600 million (around INR 30 billion). It steadily rose over the years to reach US\$985 million (INR 61.60 billion) in 2015–16 making Bhutan the largest beneficiary of India's foreign aid. [Bhutan's Prime minister, Tshering Tobgay](#), requested an additional aid package from [India](#) worth INR 54 billion (US\$819 million, as per the exchange rates at the time of signing the deal) for his nation during his visit to [New Delhi](#) in August 2013. Five-sixths of this amount (INR 45 billion) has been earmarked for Bhutan's 11th Five-Year plan. INR 4 billion was for the pending projects of the previous plan period. The remaining INR 5 billion was part of India's "Economic stimulus package" for Bhutan's slowing economy. India operates three hydro power projects, of 1,416 MW in Bhutan and three more of 2,129 MW are under construction.^[4] The third Prime Minister of [Bhutan Lotay Tshering](#) secured an aid package of about Nu.45 billion (about \$635 million) for the 12th five-year plan in his first overseas visit

to India in November 2018. During this meeting the tariff rate for the Mangdechhu Hydropower Project plant was also brought under discussion where Lotay Tshering tried to raise the rate to Nu.4.27 but it ended more towards the Indian Government's negotiation price of Nu.4.1. The revised tariff rate for the plant was then settled at Nu.4.12. The government of [Bhutan](#) also received Nu.4Billion for trade facilitation and boosting economic linkages.^[5]

Background

For much of its history, Bhutan has preserved its [isolation](#) from the outside world, staying out of international organisations and maintaining few bilateral relations. Bhutan became a [protectorate](#) of [British India](#) after signing a treaty in 1910 allowing the British to "guide" its foreign affairs and defence. Bhutan was one of the first to recognise India's independence in 1947 and both nations fostered close relations, their importance augmented by the [annexation of Tibet](#) in 1950 by the [People's Republic of China](#) and its border disputes with both Bhutan and India, which saw close ties with [Nepal](#) and [Bhutan](#) to be central to its "Himalayan frontier" security policy^[*citation needed*]. India shares a 605 kilometres (376 mi) border with Bhutan and is its largest trading partner, accounting for 98 percent of its exports and 90 percent of its imports.^[6]

Military cooperation

A 2,000 strong [Indian Military Training Team](#) (IMTRAT) is permanently based in western Bhutan to train the [Royal Bhutan Army](#), while other units regularly cooperate with the Royal Bhutan Army.^{[7][8]}

1949 treaty[[edit](#)]

On August 8, 1949 Bhutan and India signed the Treaty of Friendship, calling for peace between the two nations and non-interference in each other's internal affairs.^[9] However, Bhutan agreed to let India "guide" its foreign policy and both nations would consult each other closely on foreign and defence affairs. The treaty also established free trade and extradition protocols.^[9] Scholars regard the effect of the treaty is to make Bhutan into a protected state, but not a protectorate, because Bhutan continues to have the power to conduct its own foreign policy.^{[3][10]}

The occupation of Tibet by Communist China brought both nations even closer.^{[9][11]} In 1958, the then-Indian Prime Minister Jawaharlal Nehru visited Bhutan and reiterated India's support for Bhutan's independence and later declared in the Indian Parliament that any aggression against Bhutan would be seen as aggression against India.^[9]

In August 1959, there was a rumour in India political circle that China was seeking to 'liberate' Sikkim and Bhutan. Nehru stated in the Lok Sabha that the defence of the territorial uprightness and frontiers of Bhutan was the responsibility of the Government of India.^[12] This statement was immediately objected to by the Prime Minister of Bhutan, saying Bhutan is not a protectorate of India nor did the treaty involve national defence of any sort.^[13]

The period saw a major increase in India's economic, military and development aid to Bhutan, which had also embarked on a programme of modernisation to bolster its security. While India repeatedly reiterated its military support to Bhutan, the latter expressed concerns about India's ability to protect Bhutan against China while fighting a two-front war involving Pakistan.^[9] Despite good relations, India and Bhutan did not complete a detailed demarcation of their borders until the period between 1973 and 1984.^[9] Border demarcation talks with India generally resolved disagreements except for several small sectors,

including the middle zone between [Sarpang](#) and [Geylegphug](#) and the eastern frontier with the Indian state of [Arunachal Pradesh](#).^[9]

Indo-Bhutanese relations since 1972

Although relations remained close and friendly, the Bhutanese government expressed a need to renegotiate parts of the treaty to enhance Bhutan's sovereignty.^[9] Bhutan began to slowly assert an independent attitude in foreign affairs by joining the [United Nations](#) in 1971, recognising [Bangladesh](#) and signing a new trade agreement in 1972 that provided an exemption from export duties for goods from Bhutan to third countries.^[9] Bhutan exerted its independent stance at the [Non-Aligned Movement \(NAM\)](#) summit conference in [Havana, Cuba](#) also in 1979, by voting with China and some Southeast Asian countries rather than with India on the issue of allowing [Cambodia's Khmer Rouge](#) to be seated at the conference.^[9] Unlike in Nepal, where its [1950 treaty](#) with India has been the subject of great political controversy and nationalist resentment because of Indian immigrants in Nepal, the nature of Bhutan's relationship with India has not been affected by concerns over the treaty provisions.^{[11][14]} From 2003 to 2004, the [Royal Bhutanese Army](#) conducted operations against anti-India insurgents of the [United Liberation Front of Assam \(ULFA\)](#) that were operating bases in Bhutan and using its territory to carry out attacks on Indian soil.^[15]

India re-negotiated the 1949 treaty with Bhutan and signed a new treaty of friendship in 2007. The new treaty replaced the provision requiring Bhutan to take India's guidance on foreign policy with broader sovereignty and not require Bhutan to obtain India's permission over arms imports.^{[16][17][11]} In 2008, India's then Prime Minister Dr. [Manmohan Singh](#) visited Bhutan and expressed strong support for Bhutan's move towards [democracy](#).^[6] India allows 16 entry and exit points for Bhutanese trade with other countries (the only exception being the [PRC](#)) and has

agreed to develop and import a minimum of 10,000 megawatts of electricity from Bhutan by 2021.

Prime Minister Narendra Modi's 2014 visit

The present Indian Prime Minister Narendra Modi chose Bhutan as his first foreign destination, placing regional co-operation before global co-operation. He had inaugurated the Supreme Court Complex in Bhutan and also promised help to Bhutan on the IT and digital sectors.^[18]

Modi made his first foreign visit to Bhutan following an invitation by King [Jigme Khesar Namgyel Wangchuck](#) and Tobgay. The visit was called by the media as a "charm offensive" that would also seek to check Bhutan-China relations that had recently been formalised.^[19] He also sought to build business ties,^[20] including a hydro-electric deal, and inaugurated the India-funded [Supreme Court of Bhutan](#) building.^[21] While talking about the visit, Modi said that Bhutan was a "natural choice" for his first foreign destination because of the "unique and special relationship" the two countries shared. He added that he was looking forward to nurture and further strengthen India's special relations with Bhutan. His entourage included Foreign Minister Sushma Swaraj, National Security Adviser [Ajit Doval](#) and Foreign Secretary [Sujatha Singh](#).^[22] He was further set to discuss the [insurgency in Northeast India](#), and China.^[23]

2. INDIA–SRI LANKA RELATIONS

[President Maithripala Sirisena](#) with [Prime Minister Narendra Modi](#)

India–Sri Lanka relations are diplomatic relations between India and Sri Lanka. Only 4% of Sri Lankans have a negative view on India, the lowest of all the countries surveyed by the Ipsos GlobalScan.^[1] The two countries are also close on economic terms with India being the island's largest trading partner^[2] and an [agreement to establish a proto single market](#) also under discussion at an advanced stage.^[3] There are deep racial and cultural links between the two countries. India and Sri Lanka share a maritime border. India is the only neighbour of Sri Lanka, separated by the [Palk Strait](#); both nations occupy a strategic position in [South Asia](#) and have sought to build a common security umbrella in the [Indian Ocean](#).^[4] Both India and Sri Lanka are republics within the [Commonwealth of Nations](#).

They have been however tested by the [Sri Lankan Civil War](#) and by the controversy of [Indian intervention](#) during the war. In recent years [Sri Lanka has moved closer to China](#), especially in terms of naval agreements. India has signed a nuclear energy deal to improve relations. India made a nuclear energy pact with Sri Lanka in 2015.^[5]

Sri Lanka was established as a country after European colonialism, prior to which the nation functioned as an independent Kingdom under a line of singular monarchs or multiple kingdoms. The Kingdom had continuous wars with occupying South Indian Kingdoms.

V.S. Swami Nathan of the External Affairs Ministry, photographed at the Safdarjung Airport, taking Mahatma Gandhi's ashes to Ceylon

According to traditional Sri Lankan chronicles (such as the [Dipavamsa](#)), Buddhism was introduced into Sri Lanka in the 4th century BCE by Venerable [Mahinda](#), the son of Indian Emperor [Ashoka](#), during the reign of Sri Lanka's King [Devanampiya Tissa](#). During this time, a sapling of the [Bodhi Tree](#) was brought to Sri Lanka and the first monasteries and Buddhist

monuments were established. Among these, the Isurumuni-vihaara and the Vessagiri-vihaara remain important centers of worship. He is also credited with the construction of the Pathamakacetiya, the Jambukola-vihaara and the Hatthaalhaka-vihaara, and the refectory. The [Pali Canon](#), having previously been preserved as an oral tradition, was first committed to writing in Sri Lanka around 30 BCE.

Sri Lanka has the longest continuous history of Buddhism of any Buddhist nation, with the [Sangha](#) having existed in a largely unbroken lineage since its introduction in the 4th century. During periods of decline, the Sri Lankan monastic lineage was revived through contact with [Myanmar](#) and [Thailand](#). Periods of [Mahayana](#) influence, as well as official neglect under colonial rule, created great challenges for Theravada Buddhist institutions in Sri Lanka, but repeated revivals and resurgences – most recently in the 19th century CE – have kept the Theravada tradition alive for over 2,600 years.

Tamils in Sri Lanka, had established [Hinduism](#) and [Tamil language](#) links with South India. [Nainativu Nagapooshani Amman Temple](#) considered as one [Shakthi Peethams](#). [Koneswaram](#) and [Ketheeswaram](#) are considered as only [Paadal Petra Sthalangal](#) in Sri Lanka.

Indian intervention in the Sri Lankan civil war

Main articles: [Indian intervention in the Sri Lankan Civil War](#), [Indian Peace Keeping Force](#), [Indo-Sri Lanka Accord](#), and [Operation Poomalai](#)

In the 1970s–1980s, private entities and elements in the [Research and Analysis Wing](#) and the state government of [Tamil Nadu](#) were believed to be encouraging the funding and training for the [Liberation Tigers of Tamil Eelam](#), a [separatist](#) insurgent force.^{[6][7]} In 1987, faced with

growing anger amongst its own Tamils, and a flood of refugees,^{[8][9]} India intervened directly in the conflict for the first time after the Sri Lankan government attempted to regain control of the northern [Jaffna](#) region by means of an economic [blockade](#) and military assaults, India supplied food and medicine by air and sea. After subsequent negotiations, India and Sri Lanka entered into an [agreement/13th amendment](#). The peace accord assigned a certain degree of regional autonomy in the Tamil areas with Eelam People's Revolutionary Liberation Front (EPRLF) controlling the regional council and called for the Tamil militant groups to lay down their arms. Further India was to send a [peacekeeping force](#), named the [IPKF](#) to Sri Lanka to enforce the disarmament and to watch over the regional council.^{[6][10][11][12]}

According to [Rejaul Karim Laskar](#), a scholar of [Indian foreign policy](#), Indian intervention in Sri Lankan civil war became inevitable as that civil war threatened India's "unity, national interest and territorial integrity."^[13] According to [Laskar](#), this threat came in two ways: On the one hand external powers could take advantage of the situation to establish their base in [Sri Lanka](#) thus posing a threat to [India](#), on the other the [LTTE](#)'s dream of a sovereign [Tamil Eelam](#) comprising all the [Tamil](#) inhabited areas (of Sri Lanka and India) posed a threat to [India](#)'s territorial integrity.^[13]

Even though the accord was signed between the governments of Sri Lanka and India, with the Tamil Tigers and other Tamil militant groups not having a role in the signing of the accord,^[14] most Tamil militant groups accepted this agreement,^[15] the LTTE rejected the accord because they opposed the candidate, who belonged to another militant group named Eelam Peoples Revolutionary Liberation Front (EPRLF), for chief administrative officer of the merged Northern and Eastern provinces.^[11] Instead, the LTTE named three other candidates for the

position. The candidates proposed by the LTTE were rejected by India.^[16] The LTTE subsequently refused to hand over their weapons to the IPKF.^[14]

The result was that the LTTE now found itself engaged in military conflict with the [Indian Army](#), and launched their first attack on an Indian army rations truck on October 8, killing five Indian para-commandos who were on board by strapping burning tires around their necks.^[17] The government of India then decided that the IPKF should disarm the LTTE by force,^[17] and the Indian Army launched a number of assaults on the LTTE, including a month-long campaign dubbed [Operation Pawan](#) to wrest control of the Jaffna peninsula from the LTTE. When the IPKF engaged the LTTE, the then president of Sri Lanka, [Ranasinghe Premadasa](#), began supporting LTTE and funded LTTE with arms.^[11] During the warfare with the LTTE, IPKF was also alleged to have made human rights violation against the [civilians](#). Notably, IPKF was alleged to have perpetrated the [Jaffna teaching hospital massacre](#) which was the killing of over 70 civilians including patients, doctors and nurses.^[18] The ruthlessness of this campaign, and the Indian army's subsequent anti-LTTE operations made it extremely unpopular amongst many Tamils in Sri Lanka.^{[19][20]} The conflict between the LTTE and the Indian Army left over 1,000 Indian soldiers dead.^{[4][6]}

The Indo-Sri Lankan Accord, which had been unpopular amongst Sri Lankans for giving India a major influence, now became a source of nationalist anger and resentment as the IPKF was drawn fully into the conflict. Sri Lankans protested the presence of the IPKF, and the newly elected Sri Lankan president [Ranasinghe Premadasa](#) demanded its withdrawal, which was completed by March 1990.^[6] on May 21, 1991, [Rajiv Gandhi](#) was assassinated and the LTTE was alleged to be the perpetrator. As a result, India declared the LTTE to be a terrorist outfit in 1992. Bilateral relations improved in the 1990s and India supported the [peace process](#) but has

resisted calls to get involved again.^[21] India has also been wary of and criticised the extensive military involvement of [Pakistan](#) in the conflict, accusing the latter of supplying lethal weaponry and encouraging Sri Lanka to pursue military action rather than peaceful negotiations to end the civil war.^[22]

Culture

The two countries share near-identical racial and cultural ties. Sinhalese people who make up 75% of the total population descend in part from Northern Indian Indo Aryan settlers who migrated the Island from 543BCE to 243BCE.

Economy

Commercial ties

India and Sri Lanka are member nations of several regional and multilateral organizations such as the [South Asian Association for Regional Cooperation](#) (SAARC), [South Asia Co-operative Environment Programme](#), [South Asian Economic Union](#) and [BIMSTEC](#), working to enhance cultural and commercial ties. Since a bilateral [free trade agreement](#) was signed and came into effect in 2000, Indo-Sri Lankan trade rose 128% by 2004 and quadrupled by 2006, reaching US\$2.6 billion.^{[23][24]} Between 2000 and 2004, India's exports to Sri Lanka in the last four years increased by 113%, from US\$618 million to \$1,319 million while Sri Lankan exports to India increased by 342%, from \$44 million to \$194 million.^[23] Indian exports account for 14% of Sri Lanka's global imports. India is also the fifth largest export destination for Sri Lankan goods, accounting for 3.6% of its exports.^[23] Both nations are also signatories of the [South Asia Free Trade Agreement](#) (SAFTA). Negotiations are also underway to expand the free trade agreement to forge stronger commercial relations and increase corporate investment and ventures in various

industries.^[24] The year 2010 is predicted to be the best year for bilateral trade on record, with Sri Lanka's [exports](#) to India increasing by 45% over the first seven months of the year^[25]

[India's National Thermal Power Corp](#) (NTPC) is also scheduled to build a 500 MW thermal power plant in Sampoor (Sampur). The NTPC claims that this plan will take the Indo-Sri Lankan relationship to a new level.^[26]

Fishing disputes

There have been several alleged incidents of [Sri Lankan Navy](#) personnel firing on Indian fishermen fishing in the [Palk Strait](#), where India and Sri Lanka are separated by only 12 nautical miles (22 kilometres). The issue started because of Indian fishermen having used [mechanised trawlers](#), which deprived the Sri Lankan fishermen (including Tamils) of their catch and damaged their fishing boats. The Sri Lankan government wants India to ban use of mechanized trawlers in the Palk Strait region, and negotiations on this subject are undergoing. So far, no concrete agreement has been reached since India favours regulating these trawlers instead of banning them altogether. Another cause of anger amongst the Sri Lankan side is the use of mechanized trawlers, which they view as ecologically damaging.^[27] Presently there is no [bona fide](#) Indian fisherman in Sri Lankan custody. A Joint Working Group (JWG) has been constituted to deal with the issues related to Indian fishermen straying in Sri Lankan territorial waters, work out modalities for prevention of the use of force against them, the early release of confiscated boats and explore possibilities of working towards bilateral arrangements for licensed fishing. The JWG last met in January 2006.^[citation needed]

India officially protested against the [Sri Lankan Navy](#) for its alleged involvement in attacks on Indian fishermen on January 12, 2011.^[28] After the official protest, another fisherman was killed on 22 January 2011.^[29] Over 730 fishermen have been killed in the last 30 years. The apathetic

attitude of the Indian government and the national media towards the alleged killing of Tamil Nadu fishermen by the Sri Lankan Navy has been strongly condemned.^[30] Several Tamil Nadu politicians like Vaiko and Jayalalitha have condemned the federal government for not doing enough to stop the killing of Indian Tamil fishermen, and for offering training, equipment, and strategic cooperation for the Sri Lankan Navy.^[31] In 2010 Naam Thamizhar Katchi Chief coordinator Seeman got arrested under National security act for his reported statement that he would attack the Sri Lankan students if the killing of Tamil fishermen continued by the Sri Lankan navy. Later he got acquitted of the charges and set free by the Madras high court.^{[32][33]} In November 2014, Sri Lanka ordered capital punishment to Indian fishermen who were allegedly involved in drug supply or other kind of smuggling. Activists from India approached to Sri Lankan government through an appeal, where they stated the need to strengthen south Asian regional cooperation for all such issues. It was appealed that though crime of any kind must get punishment, but capital punishment must be revoked in this case and in general from all over south Asia.^[34] Sri Lanka Prime Minister Ranil Winckramsinghe told during an interview to a television channel in March 2015 that 'if Indian fishermen will cross the sea boundary, Sri Lankan navy can shoot them.' This remark sparked controversy over Sri Lanka–India relations. External affairs minister of India raised the issue with meeting her counterpart in Sri Lanka, but the statement of PM of Sri Lanka was condemned by civil rights activists, and open letters were written to PMs of Sri Lanka and India to resolve the dispute and to apologize for statements.^[citation needed]

Development co-operation^[edit]

Vice Admiral Jayantha Perera, Commander of the Sri Lanka Navy, received by Chief of the Naval Staff Admiral RK Dhowan at South Block, New Delhi

[INS Talwar](#) and [SLNS Sagara](#) during SLINEX 2013

India is active in a number of areas of development activity in Sri Lanka. About one-sixth of the total development credit granted by India is made available to Sri Lanka.

In the recent past, three lines of credit were extended to Sri Lanka: US\$100 million for capital goods, consumer durables, consultancy services and food items, US\$31 million for the supply of 300,000 MT of wheat and US\$150 million for purchase of petroleum products. All of the lines of credit have been fully used. Another line of credit of US\$100 million is now being made available for rehabilitation of the Colombo-Matara railway.

A number of development projects are implemented under Aid to Sri Lanka funds. In 2006–07, the budget for Aid to Sri Lanka was Rs 28.2 Crs.

A memorandum of understanding on Cooperation in Small Development Projects has been signed. Projects for providing fishing equipment to the fishermen in the East of Sri Lanka and solar energy aided computer education in 25 rural schools in Eastern Sri Lanka are under consideration.

India has supplied medical equipment to hospitals at Hambantota and Point Pedro, supplied 4 state-of-the-art ambulances to the Central Province, implemented a cataract eye surgery programme for 1500 people in the Central Province and implemented a project of renovation of OT at Dickoya hospital and supplying equipment to it.

The projects under consideration are the construction of a 150-bed hospital at Dickoya, upgrading of the hospital at Trincomalee and a US\$7.5 million grant for setting up a cancer hospital in Colombo. India also contributes to the Ceylon Workers Education Trust that gives scholarships to the children of estate workers.

A training programme for 465 Sri Lankan Police officers has been commenced in Dec 2005. Another 400 Sri Lankan Police personnel are being trained for the course of Maintenance of Public Order.

Indian governments have also showed interest in collaborating with their Sri Lankan counterparts on building tourism between the two countries based on shared religious heritage.^[35] [Madhya Pradesh](#) CM [Shivraj Chauhan](#) in June 2013 stated he was working with Sri Lankan authorities to build a temple dedicated to the Hindu deity [Sita](#) in [Nuwara Eliya](#).^[36] In November 2019, Prime Minister Narendra Modi stated that India will invest \$400 million in infrastructure projects in Sri Lanka amid improving ties after talks with Sri Lanka's new President Gotabaya Rajapaksa.^[37] stated that it will lend Sri Lanka \$400 million for infrastructure projects, India-Sri Lanka border crossings

Only land border India and Sri Lanka have is in [Talaimannar](#) on a [Ram Sethu](#) sand dune.

Shared Tourism[\[edit\]](#)

In the past, ferry services for tourists have been introduced and suspended repeatedly because of their low usage.^[38] The low usage of the old ferry services could be due to the high cost of the former services.^[39] As of now, the only way for tourists to access India from Sri Lanka is by air. In 2019 negotiations about ferry services between [Colombo](#) and [Tuticorin](#) and between [Talaimannar](#) and [Rameshwaram](#) began. There is also a proposal to operate a cruise/ferry service between Colombo and Kochi in Kerala. The Indian and Sri Lankan governments are working close together to connect the two neighboring countries better.^[40] The Sri Lankan minister of Tourism Development John Amaratunga indicates that a ferry service will help tourists from both sides to travel at a very low cost.^[41]

3. INDIA–MALDIVES RELATIONS

India–Maldives relations refer to the bilateral relations between [India](#) and [Maldives](#). India and Maldives are neighbors sharing a maritime border. Relations have been friendly and close in strategic, economic and military cooperation.^{[1][2]} [India](#) continues to contribute to [maintaining security](#) on the island nation.^{[2][3]}

Maldives is located south of India's [Lakshadweep Islands](#) in the Indian Ocean. Both nations established diplomatic relations after the independence of Maldives from [British rule](#) in 1966.^[1] [India](#) was one of the first nations to recognise [Maldives'](#) independence.^[4] Since then, India and Maldives have developed close strategic, military, economic and cultural relations. India has supported Maldives' policy of keeping regional issues and struggles away from itself, and the latter has seen friendship with India as a source of aid as well as a counterbalance to Sri Lanka, which is in proximity to the island nation and its largest trading partner.^[2]

Bilateral treaties and strategic partnership[[edit](#)]

1976 Maritime treaty

In December 1976, India and the Maldives signed a [maritime boundary treaty](#) to agree on maritime boundaries.^[5] Treaty explicitly places [Minicoy](#) on the Indian side of the boundary.^[5] India and Maldives officially and amicably decided their [maritime boundary](#) in 1976,^[2]. A minor diplomatic incident occurred in 1982 when the brother of the [President of Maldives Maumoon Abdul Gayoom](#) gave a speech that India mistook as a claim that the neighboring [Minicoy Island](#) that belonged to India were a part of Maldives; Maldives rapidly

officially denied that it was laying claim to the island and explained that President Maumoon's brother had in fact been talking about the cultural connections between Maldives and Minicoy.^[2]

1981 Comprehensive trade agreement^[edit]

In 1981, India and Maldives signed a comprehensive trade agreement.^[6] Both nations are founding members of the [South Asian Association for Regional Cooperation](#) (SAARC), the [South Asian Economic Union](#) and signatories to the [South Asia Free Trade Agreement](#). Indian and Maldivian leaders have maintained high-level contacts and consultations on regional issues.^[1]

Commercial relations^[edit]

Since the success of Operation Cactus, the relations between India and Maldives have expanded significantly.^{[2][3]} India has provided extensive economic aid and has participated in bilateral programmes for the development of infrastructure, health, telecommunications and labour resources.^{[2][3]} It established the Indira Gandhi Memorial Hospital in Malé, the capital of Maldives, expanded telecommunications and air links and increased scholarships for Maldivian students.^[2] While India's exports to Maldives during 2006 were worth ₹384 [crore](#), imports were worth less than ₹6 [crore](#).^[6] The [State Bank of India](#) has contributed more than US\$500 million to aid the economic expansion of Maldives.^[6] India and Maldives have announced plans to jointly work to expand fisheries and [tuna](#) processing.^[6]

Military relations^[edit]

In April 2006 [Indian Navy](#) gifted a Trinkat Class Fast Attack Craft of 46 m length to [Maldives National Defence Force's Coast Guard](#).

India started the process to bring the island country into India's security grid. The move comes after the moderate Islamic nation approached New Delhi earlier in 2009, over fears that one of its island resorts could be taken over by terrorists given its lack of military assets and surveillance capabilities.^[7] India has also signed an agreement which includes following:^[7]

- India will permanently base two helicopters in the country to enhance its surveillance capabilities and ability to respond swiftly to threats.
- Maldives has coastal radars on only two of its 26 atolls. India will help set up radars on all 26 for seamless coverage of approaching vessels and aircraft.
- The coastal radar chain in Maldives will be networked with the Indian coastal radar system. India has already undertaken a project to install radars along its entire coastline. The radar chains of the two countries will be interlinked and a central control room in India's Coastal Command will get a seamless radar picture.
- The Indian Coast Guard (ICG) will carry out regular Dornier sorties over the island nation to look out for suspicious movements or vessels. The Southern Naval Command will overlook the inclusion of Maldives into the Indian security grid.
- Military teams from Maldives will visit the tri-services Andaman Nicobar Command (ANC) to observe how India manages security and surveillance of the critical island chain.
- Ekuverin, an annual joint military exercise is held every year since 2009 between India and Maldives. The exercise aims to enhance the interoperability between the Indian Army and Maldives National Defence Force in order to effectively undertake counter-terrorism operations in urban or semi-urban environments.

Operations and events[[edit](#)]

1988 Operation Cactus

In November 1988 speedboats carrying 80 armed militants of the [People's Liberation Organisation of Tamil Eelam](#) landed in Maldives and along with allies who had infiltrated the country, began taking over the government. The plot, planned in Sri Lanka by the Tamil nationalist group was believed to be an attempt by a Maldivian businessman and politician opposed to the regime of the [President of Maldives Maumoon Abdul Gayoom](#) to gain control while the PLOTE sought a safe haven and base for its activities.^{[2][3]}

The militants took control of the airport in Malé, the national capital, but failed to capture the [President of Maldives Maumoon Abdul Gayoom](#), who had fled and asked for military aid from India on 3 November.^{[1][2]} The then-[Indian Prime Minister Rajiv Gandhi](#) ordered 1,600 troops to aid the Maldivian government. In a military operation codenamed "[Operation Cactus](#)," Indian forces arrived within 12 hours of the request for aid being made, squashed the coup attempt and achieved full control of the country within hours. 19 PLOTE militants were killed and 1 Indian soldier wounded.

According to [Rejaul Karim Laskar](#), a scholar of [Indian foreign policy](#), Indian intervention in 1988 coup in [Maldives](#) became necessary as in the absence of Indian intervention, external powers would have been tempted to intervene or even establish bases in [Maldives](#) which being in India's backyard, [India](#) could not allow.^[8]

India's intervention was endorsed by other nations such as [United States](#), [Soviet Union](#), [United Kingdom](#) and its neighbours [Nepal](#) and [Bangladesh](#).^{[1][2][3]} President [Reagan](#) called India's action, a valuable contribution to regional stability'. [Margaret Thatcher](#) reportedly commented: 'Thank God for India: President [Gayoom](#)'s government has been saved. We could not have assembled and dispatched a force from here in good time to help him'. But the Sri Lankan Island newspaper

commented, 'It would be ostrich-like to ignore the fear of smaller nations in South Asia about current developments providing opportunities for what has been described as the spread of Indian hegemonism.'^[9]

Its speedy and decisive victory and the restoration of the [Maldivian government](#) brought both nations even closer in friendship and cooperation.^{[1][2][3]} In the wake of internal security crises and tensions with [Sri Lanka](#), [Maldives](#) saw its relationship with [India](#) as a source of future security.^{[2][3]}

2014 Malé drinking-water crisis[\[edit\]](#)

In the wake of a drinking water crisis in Malé on 4 December 2014, following collapse of the island's only water treatment plant, Maldives urged India for immediate help. India came to rescue by sending its heavy lift transporters like [C-17 Globemaster III](#), [IL-76](#) carrying bottled water. The navy also sent her ships like [INS Sukanya](#), [INS Deepak](#) and others which can produce fresh water using their onboard desalination plants.^{[10][11]} The humanitarian relief efforts by the Indian side was widely appreciated in Malé across all sections of people even the Vice-President of Maldives thanked the Indian ambassador for swift action.^[12]

2011-2015 Maldives political crisis[\[edit\]](#)

Maldives' first democratically elected president from 2008 to 2012 [Mohammed Nasheed](#), was arrested on 22 February 2015 on terror charges. [India](#) and US expressed concern over Nasheed's arrest and manhandling.^{[13][14]} [Indian PM Modi](#) was to also visit Maldives in the second week of March as a part four nation [visit to Indian Ocean neighbours](#). But, he later omitted Maldives from his tour.^{[15][16]}

