Sri Lanka situated 22 miles off the southern coast of India is an important maritime linkage between South East Asia and West Asia. Each year an estimated 60,000 ships, use this maritime route (Fletcher Forum, Fernando, S, 2019). Being one of the closest prospering neighbors to India, Sri Lanka’s capital city Colombo is capable of becoming cities like Hong Kong or Dubai in the coming years. Colombo port is fast turning into a key transshipment hub in South Asia. Six years ago, the Colombo port one of the world’s largest marine container handling port saw the opening of the Colombo International Container terminal (CICT). The brand new Container Terminal of the Colombo South Harbour expansion project with a 6.8-kilometer main breakwater can handle the biggest Triple-E Class vessels carrying 18,000 container units.

The facilities at the new port project will make it the only port in South Asia with a water depth of 18-meters that handle mega container ships. Figures show that Colombo port alone handles 43% of the trans-shipment cargo of India, which directly benefits the revenues of Sri Lanka. Therefore when there is a rise in the Indian economy it will lead to the increase in the volume of cargo cash transaction and services related to it between the two nations thereby generating more employments for the locals and expatriates of these countries.

On the other hand, the new harbour known as the Magam-pura Port in the Hambantota district is the second largest port, after the Colombo port. This harbour service ships traveling along one of world's busiest shipping lane. In the recent years Sri Lanka has leased the Hambantota port to the Chinese for US$1.1 billion for 99 years and the Sri Lankan government has given a 25-year Corporate Tax concession for the Colombo port city projects being developed by the
The new Colombo Port City a 230 hectares reclaimed land is set next to the Colombo South Port. According to the Sri Lanka Ports Authority (SLPA) the construction of the master planned state of the art Colombo Port City is expecting an entire investment estimated at US$ 15 billion.

The world's fifth largest natural deep-water port in Trincomalee is the third major port that will be redeveloped. In the coming years gas and oil are important energy consumption requirements for the Sri Lankans and to meet this requirement the Lanka Indian Oil Company plays a vital role. Lanka Indian Oil Company (LIOC) a subsidiary of the Indian Oil Corporation operates 15 oil tanks out of ninety-nine at the China Bay Trincomalee oil storage facility. In recent years India and Sri Lanka deepened their economic cooperation through public private partnership initiatives. One such initiative implemented was the modernising of 15 oil tanks out of ninety-nine at the China Bay Trincomalee oil storage facility.

In fact the busiest ports in the South Asian island nation are experiencing tremendous growth in transshipment and increment of cargo volume during the last two decades. Since the member states launched its Agreement on South Asian Free Trade (SAFTA) in 2006 the region has witnessed many dramatic changes in maritime cooperation at various levels. For this reason, being among the closest prosperous economies it is time for the Sri Lankan and South Asian policymakers to think beyond and make the maritime cargo transactions smoother and business friendly for the South Asian countries.