Mindfulness is defined as the awareness that emerges through paying attention on purpose in the present moment, and not being judgmental about the unfolding of experiences moment by moment. In practicing mindfulness, one becomes aware of the current internal and external experiences and is able to observe them carefully and accept them sans judgments. Happiness is one of the most important aspects of life satisfaction. However, there is a significant gap in the understanding of this relationship between mindfulness and happiness to develop the life satisfaction of university students in Sri Lanka. The present study investigates the relationship between mindfulness and happiness to develop life satisfaction among university students in Sri Lanka. Notions about life satisfaction are linked to one's culture and are relative and subjective, varying from country to country. Happiness is also subjective and varies from person to person. Life satisfaction is how one perceives about his/her life, a person’s sense of well-being, his/her satisfaction or dissatisfaction, with life or happiness/unhappiness. Both mindfulness and happiness are associated with positive life outcomes, including greater subjective wellbeing. The study was aimed at how life satisfaction was gained through mindfulness and how it affects happiness. 350 university students in four state universities were selected at random, based on purposive sampling techniques. In order to measure the relationships, some indices were calculated based on Likert scale. The outcome of this study can be extended with the higher educational curriculum in Sri Lanka to plan better policies. This study also indicates a major finding that higher levels of mindfulness and happiness were associated with greater life satisfaction, positive effect and lower negative effect. Finally, this study will be developed as a conceptual model of mindfulness and happiness to develop life satisfaction of university students in Sri Lanka and happiness index for them. These results provide information regarding a possible process through which mindfulness and happiness exert its beneficial effects.

**Keywords:** mindfulness, happiness, life satisfaction, university students, conceptual model, happiness index