

India-Nepal Relations

With an area of 147,181 sq. km and a population of 29 million, Nepal shares a border of about 1850 km with five Indian States - Uttarakhand, Uttar Pradesh, Bihar, West Bengal and Sikkim. An estimated 6 million Nepalese live and work in India. As close neighbours, India and Nepal share a unique relationship of friendship and cooperation characterized by open borders and deep-rooted people-to-people contacts of kinship and culture. Both countries share a long tradition of free movement of people across the border. Notwithstanding the fact that Nepal has been going through a prolonged political transition, India-Nepal relations have continued on their upward trajectory.

Development Partnership Programme:

India and Nepal are working together in a development partnership programme which is broad based with specific focus at the grass-roots level. A number of projects have been implemented in the areas of infrastructure, health, water resources, rural and community development and education. Under the Small Development Scheme there are over 445 projects currently under way at a total cost of over INR 500 crores spread over all the districts of Nepal. India is currently implementing major **border infrastructure projects** along the border including construction of Terai Roads (about 1450 kms), five Rail-Links and four Integrated Check Posts (ICPs) which will enhance connectivity and usher in economic prosperity for the people of Nepal.

200 bed Nepal Bharat Maitri Emergency and Trauma Centre in Kathmandu:

India signed an MoU for the establishment of an Emergency and Trauma Centre in Kathmandu in 2003. The eight floor structure with 200 bed facility has been built at an estimated cost of NRs. 160 crores [IRs 100 crores]. The Centre has been constructed as a super-specialty hospital and first of its kind in Nepal on the lines of AIIMS Trauma Centre in New Delhi. GOI was ready to handover the Centre to GON in 2008. However due to prevailing political uncertainties, GON could not take it over. That process has now commenced and it is expected to be handed over to GON in the near future.

Logistical Assistance for the successful conduct of 2nd Constituent Assembly elections held on 19 November, 2013: Government of India extended all possible logistical assistance required for the successful conduct of elections in Nepal. At the request of the Government of Nepal, we provided them a total of 980 vehicles, of different types, by end-October 2013. Of these, 716 were for Nepali security agencies, 48 for the Election Commission and 216 for the Nepal Army. We provided necessary security cooperation, as per the advice of the Government of Nepal, for sealing the border to prevent any cross-border criminal activity. We also assisted the Nepal Army and Nepal Police as per their requests, including temporary loaning of two Advanced Light Helicopters (ALHs) to Nepal Army.

Security Cooperation:

There has been very fruitful cooperation between the security agencies of India and Nepal on issues of Fake Indian Currency Notes (FICN) and in apprehending terrorists and criminals on both sides of the border. India has also

been helping in strengthening capability of Nepal Police and the Armed Force Police by providing security equipment and vehicles and training.

Bilateral Trade & Investments:

There has been steady growth of **bilateral trade**. India is the largest trading partner of Nepal. Bilateral trade between India and Nepal stands at USD 4.7 billion (2012-13) which is 66% of Nepal's total bilateral trade USD 7.2 billion.

Since 1996, **Nepal's exports to India have grown more than eleven times and bilateral trade more than seven times**; the bilateral trade that was 29.8% of total external trade of Nepal in year 1995-96 has reached 66% in 2012-13. The bilateral trade grew from Rs. 1,755 crores in 1995-96 to Rs. 26126.9 Crores (US\$ 4.7 billion) in 2012-13. Exports from Nepal to India increased from Rs. 230 crores in 1995-96 to Rs. 3187.4 crores (US\$ 579.8 million) in 2012-13 and India's exports to Nepal increased from Rs. 1,525 crores in 1995-96 to Rs. 22939.4 crores (US\$ 4.17 billion) in 2012-13.

Indian firms are the biggest investors in Nepal, accounting for about 46% of total approved foreign direct investments. Till 15th July, 2012, the Government of Nepal had approved a total of 2335 foreign investment projects with proposed FDI of Rs. 4696.8 crore. Indian ventures lead the list with 525 projects and proposed FDI of Rs. 2175.5 crore. There are about 150 operating Indian ventures in Nepal.

Power Trade:

India has successfully implemented short term upgradation of **power transmission lines**, through which Nepal was able to draw 80 MW extra electricity during the lean seasons of 2011 and 2012, mitigating the shortage of electricity. We have committed our assistance of Rs. 29 crore for a few more transmission lines to be upgraded/strengthened on priority, and are re-conductoring the Kusaha-Kataiya transmission line in Bihar.

Water Resources:

Our institutional mechanism meetings in **Water Resources** are being held regularly. Cooperation in Water Resources and River Training is one of the most important areas of our bilateral cooperation. The total grant assistance already disbursed for embankment construction along the Kamla, Bagmati and Lalbakeya rivers stands at over Rs. 200 crores. It is being considered to extend this assistance for construction of embankments to other rivers as well, as also for real-time exchange of data for flood forecasting.

Education:

India welcomes Nepalese students in a wide variety of disciplines across several universities and institutes. 2999 scholarships were offered to Nepalese students in the academic year 2013-14. Among these scholarship schemes, there are 2200 scholarships since 2012-13 (increase from earlier 1100) awarded to Nepalese students for studying in undergraduate and graduate courses in Nepal. 569 scholarships are awarded to Nepalese students for studying in

BE/B.Pharma/B.V.Sc/B.Sc (Dairy Tech)/B.Sc (Agriculture)/B. Sc (Nursing) courses in India. There are 230 slots for mid career short-term training in India for Government/non-government employees of Nepal under ITEC Scheme/Colombo Plan. The ITEC slots were increased from 100 to 200 for 2011-12 and 2012-13 but it was reduced to 150 during for 2013-14. The year-wise details of scholarships awarded during the previous 3 years are as under: 2011-12- 1859; 2012-13- 2999; and 2013-14- 2996.

B.P. Koirala India-Nepal Foundation (BPKF):

BPKF was set up in 1991 for fostering educational, cultural, scientific and technical cooperation. The last meeting was held in March 2013 in Sikkim where a number of projects were approved. An Indian Culture Centre is functioning in Kathmandu since August 2007.

For more information and latest updates please visit:

Embassy of India, Kathmandu website:

<http://www.indianembassy.org.np/>

Embassy of India, Kathmandu Facebook page:

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May 2014