India–Nepal Bilateral Relations – A New 10-Pillar Roadmap

Prelims: *Current events of National and International Importance | International Relations*

Why in News?

Nepal's Prime Minister Balendra Shah's state visit to India (November 22–23, 2026) produced the ***10-pillar Joint Vision*** *"Viksit Bharat and Samunnat Nepal".*

Ties That Bind

- **Historical** – Rooted in the ***1950 Treaty of Peace and Friendship*** and an open border.
- **Political** – More than 40 bilateral mechanisms; 17 leader-level exchanges in about twelve years.
- **Economic** – Goods trade of $9.38 billion in 2025-26, over 60% of Nepal's trade; India is its largest investor.
- **Energy** – Nepal exported about 1,100 MW to India; the 2014 agreement targets 10,000 MW.
- **Defence** – Gorkha soldiers serve in the Indian Army; Surya Kiran exercise; honorary army ranks.
- **Social** – Shared Hindu and Buddhist heritage; $1 billion pledged for post-2015 earthquake rebuilding; about 1,500 scholarships yearly.

Issues

- **Border** – Nepal's 2020 map claims ***Kalapani, Lipulekh and Limpiyadhura***, which India holds as Uttarakhand, a legacy of differing readings of the 1816 Sugauli Treaty.
- **Treaty** – Nepal sees the ***1950 Treaty*** as unequal; the Eminent Persons Group report (2018) remains unadopted.
- **Recruitment** – Nepal is reluctant to accept ***Gorkha recruitment*** under Agnipath.
- **Dependence** – Over 80% of Nepal's goods exports go to India; China's influence concerns Delhi.



Joint Vision – 10 Pillars

- **Pillars** – Economy, connectivity, energy and climate, governance, technology and space, education, sports, culture and tourism, health, agriculture.
- **Economy** – Review trade frameworks; cross-border special economic zones.
- **Connectivity** – Railways, check posts, petroleum pipelines, digital payments.
- **Culture** – Ramayana, Buddhist and Shiv-Shakti circuits.
- **Others** – IIT campus, cricket academy, Chitwan agro-park; monitoring group meets every six months.

Quick facts

Nepal
• **Geography** – Landlocked; borders Sikkim, West Bengal, Bihar, Uttar Pradesh and Uttarakhand, and China to the north. • **Headquarters** – SAARC Secretariat (Kathmandu); ICIMOD. • **Groupings** – SAARC, BIMSTEC, Non-Aligned Movement. • **Treaties** – 1950 Peace and Friendship; Trade and Transit; 2014 Power Trade Agreement.

Reference

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