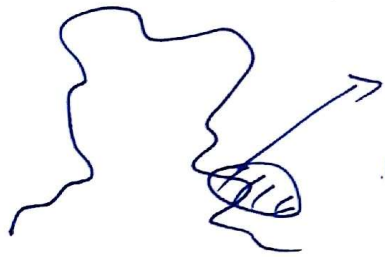


To what extent border issues b/w India & Nepal affected bilateral relations b/w two countries. Analyse

India and Nepal share a cordial relations sharing similar values and culture. This relation is being heated due to recent ^{border} ~~bilateral~~ issues.

Border dispute



The dispute ~~arises~~ due to the claim for Kalapani, Lumpiyadhura and Tapleesh.

Nepal has recently unilaterally included these territories into its new currency notes.

Nepal claims the area west of River Koshi to be its part as per the Treaty of Sugauli (1816) whereas these areas are administered by the Uttarakhand government.

Dent in ties

* Economic : In 2015 due to the border dispute India imposed a 134-day blockade on Nepal. This affected the movements of goods.

Nepal then signed trade and transit agreement with China to counter this.

* Regional stability Nepal acts as a buffer state between two nuclear powers. Disputes between India and Nepal can give opportunities to China.

* Power : India has invested heavily in hydro-power projects in Nepal such as West Seti, Arun HEP.

Border disputes can hamper the completion of projects.

* Strong response : Nepal has now explicitly added the disputed territory in its new currency. There is an urgent need of diplomatic intervention as the matter has become serious.

Clearing the disputes

* Talks must happen at the highest levels of Prime Minister which can clear the ambiguities between the countries.

A friendly Nepal is crucial for India's defence from China. Border disputes such as this must be given top priority and addressed on-war footing.