

Prachanda's Visit to New Delhi: Positive Development but Issues Remain

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Summary

During Nepal Prime Minister Pushpa Kamal Dahal's recent visit to India, New Delhi and Kathmandu reached a consensus on some important issues. However, several contentious issues remain and addressing them will further strengthen India-Nepal ties.

On 31 May 2023, Nepal's Prime Minister, Pushpa Kamal Dahal – also known as Prachanda – landed in New Delhi for a four-day visit. It was [the first foreign visit](#) by Prachanda since assuming office in December 2022. The visit was politically viewed as a “furtherance” of India's [‘Neighbourhood First’ policy](#).

Hours before Prachanda flew from Kathmandu to New Delhi, Nepali President Ram Chandra Poudel assented to the Citizenship Bill that grants naturalised citizenship to [foreign women married](#) to Nepali males soon after submitting a photocopy of their marriage certificate or any [other evidence](#). The Communist Party of Nepal (Unified Marxist-Leninist) [CPN-UML] and Rashtriya Swatantra Party have protested the authentication of the [bill](#). In August 2018, K P Sharma Oli's led-government registered the bill in the [House of Representatives](#). It had a provision of a seven-year waiting period for foreign women married to Nepalis to obtain [Nepal's](#) matrimonial naturalisation citizenship. The Nepali Congress and the Madhes-based political parties opposed to the seven-year waiting period [provision](#). After years of political fighting over the bill, in 2022, the Sher Bahadur-led government withdrew it and registered a new [bill](#). The then-new bill, despite being passed by the Parliament, was not authenticated by [President Bidya Devi Bhandari](#). Many believe that the seven-year provision endorsed in the 2018 Bill was targetted at India, where many Nepali men marry.

During the visit of Prachanda to New Delhi, the [following projects](#) were initiated:

1. India handed the Kurtha-Bijalpura section of the railway line.
2. Indian railway cargo train from Bathnaha (India) to Nepal Customs Yard, which is the newly constructed rail link under an Indian grant, had an inaugural run.
3. The Integrated Check Posts (ICPs) at Nepalgunj (Nepal) and Rupaidiha (India) were inaugurated.
4. The ground-breaking ceremony of the ICPs at Bhairahawa (Nepal) and Sonauli (India) took place.
5. The ground-breaking ceremony of Phase-II facilities under the Motihari-Amlekhgunj Petroleum Pipeline took place.
6. The ground-breaking ceremony of the Indian portion of the Gorakhpur-Bhutwal Transmission Line, which is being built by a joint venture by Power Grid Corporation of India Limited and Nepal Electricity Authority, took place.

In addition, New Delhi and Kathmandu exchanged [memoranda of understanding \(MoUs\)/agreements](#) on the following :

1. Treaty of Transit between the two countries.
2. Cooperation in the field of petroleum infrastructure.
3. Development of infrastructure at the Dodhara Chandani check post along India-Nepal border.
4. MoU between Sushma Swaraj Institute of Foreign Service and the Institute of Foreign Affairs, Nepal.
5. MoU between National Payment Company India Limited and National Clearing House Limited Nepal for cross-border payments.
6. Project Development Agreement of the Lower Arun Hydroelectric Project between the Satluj Jal Vidyut Nigam and the Investment Board of Nepal.
7. MoU between the National Hydro Power Corporation of India and the Vidyut Utpadan Company Limited, Nepal, for the development of the Phukot-Karnali Hydroelectric Project.

The two countries also agreed on a long-term [power trade cooperation](#) under which India has set a target of importing 10,000 megawatts of electricity from Nepal within the [next 10 years](#). India and Nepal entered into an electricity buying deal in 2014, but New Delhi changed its policy in 2018 and decided not to buy power produced by projects in which investments were made by countries that did not have a “bilateral agreement on [power sector cooperation](#)”. The change was mainly directed at Chinese-funded projects or using its own equipment, workers and [subcontractors](#).

Underlining Prachanda’s visit, Indian Foreign Secretary Vinay Mohan Kwatra said that the engagement between Prachanda and the India’s Prime Minister Narendra Modi was “future-oriented”, “comprehensive”, “progressive”, “constructive”, and the discussions and outcomes “cover the entire spectrum of [bilateral cooperation](#)”.

However, some issues that have caused stress in India-Nepal relations remained unresolved. The first is India’s acceptance of the Eminent Persons’ Group (EPG) report on the India-Nepal ties. Before Prachanda’s visit to New Delhi, Rajan Bhattarai, Chief of the Department of Foreign Affairs of CPN (UML), said, “If India does not receive the EPG report, its credibility will be questioned as India is seen as the new regional and global leader. Leaving such a dispute unresolved with a close neighbour like Nepal does not suit [India](#)”. The second is settling the disputes or differences over Kalapani, Lipulekh and Limpiyadhura. Before Prachanda’s visit to New Delhi, the Chairman of the Communist Party of Nepal (Unified Socialist) and former prime minister, Madhav Kumar Nepal, said, “Without hesitation, the prime minister should make Kalapani, Lipulekh and Limpiyadhura the primary agenda of his [India visit](#)”. Third, the mural of *Akhand Bharat* (Undivided India) placed in the newly-inaugurated building of the Indian parliament drew protest from [Nepal](#). The imagination of *Akhand Bharat* includes present-day Afghanistan, Nepal, Bhutan, Tibet, Pakistan, Bangladesh, Sri Lanka, Myanmar and [Thailand](#). Strategically, the ideologues of *Akhand Bharat* implicitly share the idea of the Indian sphere of influence in [South Asia](#). Several Nepali politicians demanded that Prachanda raise the issue with New Delhi. Nepal’s former prime minister, Baburam Bhattarai, said, “The mural could cause unnecessary [diplomatic](#)

[dispute](#)". Oli, now a leader of the opposition party, said that Prachanda "should ask [India] to remove [the mural](#) [from the Parliament]". However, like the EPG and boundary-related differences or disputes, the question of the mural was not raised during the delegation-level talks.

Overall, Prachanda's visit to India was fruitful despite several outstanding issues. New Delhi needs to take the initiative to address these unresolved bilateral issues so that the two sides can boast of a strong and deeply entrenched relationship.

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